December 05, 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.: Notice of 25th Annual General Meeting and Annual Report 2019-20

Pursuant to Regulation 30 and 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed herewith the Notice convening 25th Annual General Meeting ("AGM") and the Annual Report of the Company for the financial year 2019-20.

In view of the ongoing COVID-19 pandemic, the 25th AGM will be held on **Monday, December 28, 2020** through Video Conferencing (VC)/Other Audio Visual Means (OAVM) without physical presence of the Members and in compliance with the applicable provisions of the Companies Act, 2013 ("the Act") read with rules made thereunder and General Circular No. 20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020 and General Circular No. 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs ("MCA Circulars") and the Listing Regulations and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by Securities and Exchange Board of India ("SEBI Circular") to transact the businesses as set out in the Notice of the 25th AGM.

In compliance with the above circulars the Annual Report for the financial year 2019-20 and Notice of the 25th AGM has been sent electronically to all the members of the Company whose email addresses are registered with the Company or Depository Participant(s).

The information contained in this intimation 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).

We request you to kindly take the same on your record.

Thanking you,

Yours faithfully,
For **Gati Limited**

GATI LIMITED HYDERABAD

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

Encl.: As above

NOTICE

NOTICE is hereby given that the 25th (Twenty Fifth) Annual General Meeting of the Members of Gati Limited (CIN: L63011TG1995PLC020121) will be held on Monday, December 28, 2020 at 3.00 PM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purpose the Registered office of the Company situated at Plot No. 20, Survey No. 12, Kothaguda, Kondapur, Hyderabad, Telangana – 500084 shall be deemed as the venue for the Meeting and the proceedings of the Annual General Meeting shall be deemed to be made thereat, to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2020 and the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2020 and the Report of the Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the audited consolidated financial statements of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

3. To appoint a Director in place of Mr. Yasuhiro Kaneda (**DIN: 07619127**), who retires by rotation and, being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s) pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Yasuhiro Kaneda (DIN: 07619127), who retires by rotation at this meeting be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

Special Business:

4. **Appointment of Branch Auditor**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made thereunder, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Board of Directors be and is hereby authorized to appoint Branch Auditor(s) for any branch office of the Company for the financial year 2020-21, whether existing or which may be opened / acquired hereafter, outside India, in consultation with the Company's Auditors, any person(s) qualified to act as Branch Auditors within the provisions of Section 143(8) of the Act and to fix their remuneration."

5. **Appointment of Mr. Shashi Kiran Shetty (DIN: 00012754) as Director of the Company**

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions if any, of the Companies Act, 2013 ("the Act") and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Shashi Kiran Shetty (DIN- 00012754) who was appointed as an Additional Director of the Company in terms of Section 161 of the Act by the Board of Directors on the recommendation of the Nomination and Remuneration Committee with effect from February 04, 2020 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company whose period of office is liable to determination by retirement of Directors by rotation.

   RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

6. **Appointment of Mr. Kaiwan Kalyaniwalla (DIN: 00060776) as Director of the Company:**

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions if any, of the Companies Act, 2013 (the Act) and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s)

or re-enactment thereof for the time being in force) Mr. Kaiwan Kalyaniwalla (DIN - 00060776) who was appointed as an Additional Director of the Company in terms of Section 161 of the Act by the Board of Directors on the recommendation of Nomination and Remuneration Committee with effect from February 04, 2020 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company whose period of office is liable to determination by retirement of Directors by rotation.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

7. Appointment of Ms. Cynthia D'Souza (DIN: 00420046) as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Ms Cynthia Dsouza (DIN: 00420046), who was appointed as an Additional Director of the Company with effect from July 03, 2020 under Section 161 of the Act and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 years commencing from July 03, 2020."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

8. Appointment of Mr. Mohinder Pal Bansal (DIN: 01626343) as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Mr. Mohinder Pal Bansal (DIN: 01626343), who was appointed as an Additional Director of the Company with effect from July 03, 2020 under Section 161 of the Act and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 years commencing from July 03, 2020."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

9. Appointment of Mr. Dinesh Kumar Lal (DIN: 00037142) as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Mr. Dinesh Lal (DIN: 00037142), who was appointed as an Additional Director of the Company with effect from July 03, 2020 under Section 161 of the Act and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 years commencing from July 03, 2020."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

10. Appointment of Mr. Shashi Kiran Shetty (DIN: 00012754) as a Managing Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (the "Listing Regulations"), and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded for the appointment of Mr. Shashi Kiran Shetty (DIN: 00012754), as the Managing Director of the Company, for a period of 5 (five) years with effect from November 04, 2020, on the remuneration and the terms and conditions, as set out below and as per the letter of appointment to be issued by the Company to Mr. Shashi Kiran Shetty, subject to the same not exceeding the limits specified in Schedule V of the Act or any amendment thereto."

Proposed Terms & Conditions and Remuneration:

(i) Tenure:

The appointment shall be for a period of 5 years commencing from November 04, 2020 subject to the provisions of the Listing Regulations and the Act as may be amended both from time to time.

(ii) Duties and Responsibilities:

Subject to the superintendence, control and overall direction of the Board of Directors of the Company, the Managing Director shall have the power for general conduct and management of the whole of business and affairs of the Company, except in the matter which may be specifically required to be done by the Board either as per the provisions of the Act or by the Articles of Association of the Company and the Managing Director shall also exercise and perform such powers and duties as the Board of Directors of the Company (hereinafter called as "the Board") may from time to time determine and shall also do and perform all other acts and things which in the ordinary course of business he may consider necessary or proper or in the interest of the Company.

(iii) Salary:

Mr. Shashi Kiran Shetty will draw no remuneration from the Company. However as he is also the Chairman & Managing Director of Allcargo Logistics Limited (Holding Company), he will draw remuneration from the Holding Company.

(iv) Perquisites:

Mr. Shashi Kiran Shetty will not avail any perquisites from the Company as he shall avail the same from the Holding Company.

(v) Commission:

Based on the Net profits of the Company computed in the manner laid down in Section 198 of the Act, and subject to the overall ceiling limits as prescribed under Section 197 & 198 and other applicable provisions of the Act read with Schedule V of the Act, Mr. Shashi Kiran Shetty may draw commission from the Company.

(vi) Other terms and conditions:

a) The Managing Director as long as he holds the said position shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

b) Mr. Shashi Kiran Shetty shall, while he continues to hold office of the Managing Director, be subject to retirement by rotation and he shall be reckoned as a Director for the purpose of determining the directors liable to retire by rotation and such retirement and re-appointment shall, unless he is not re-appointed as a director, not constitute a break in his engagement as Managing Director during the tenure of his term and subsequent renewals thereof. Mr. Shashi Kiran Shetty shall not ipso facto cease to be a Director, if he ceases to hold office of Managing Director for any cause.

c) Notice Period shall be six months by either himself or by the Company.

d) Mr. Shashi Kiran Shetty can be appointed as Director or Managing Director or Whole-Time Director on the Board of other Companies including subsidiaries in accordance with the provisions of the applicable laws in India.

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

11. Reclassification of Authorised Share Capital and Consequent Alteration of Memorandum of Association.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 13, 61 and 64 of Companies Act, 2013 (hereinafter referred as the "Companies Act") read with Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, and the provisions of the Memorandum of Association and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to re-classify and increase the Authorized Share Capital of the Company as below:

i) The existing Authorized Share Capital of the Company i.e., Rs. 30,00,00,000/- (Rupees Thirty Crores) comprising of 12,50,00,000 (Twelve Crores Fifty Lakhs) equity shares

of face value of Rs. 2/- each and 5,00,000 (Five Lakhs) Redeemable Preference Shares of Rs. 100/- each, be and is hereby re-classified to Rs. 30,00,00,000/-(Rupees Thirty Crores) comprising of 15,00,00,000 (Fifteen Crores) equity shares of face value of Rs. 2/- each, after cancelling the existing unissued Redeemable Preference share capital comprising of 5,00,000 (Five Lakhs) Redeemable Preference Shares of Rs. 100/- each.

ii) The existing Authorised Share Capital of the Company be and is hereby increased by Rs.5,00,00,000/- (Rupees Five Crores) i.e., from Rs. 30,00,00,000/-(Rupees Thirty Crores) to Rs. 35,00,00,000 (Rupees Thirty Five Crores) comprising of 17,50,00,000 (Seventeen Crores Fifty Lakhs) equity shares of face value of Rs. 2/- each.

RESOLVED FURTHER THAT pursuant to Section 13, 61 and 64 and all other applicable provisions, if any, of the Companies Act, 2013 and subject to the approval from the shareholders of the Company, consent of the Board of Directors be and is hereby accorded to substitute the existing clause V of the Memorandum of Association of the Company with the following new Clause V:

"The Authorized Share Capital of the Company is Rs. 35,00,00,000 (Rupees Thirty Five Crores) divided into 17,50,00,000 (Seventeen Crores Fifty lakhs) Equity Shares of Rs. 2/- (Rupees Two Only) each."

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, any one of the Directors, Chief Financial Officer and Company Secretary of the Company be and is hereby authorized severally to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient and to sign, execute and submit all the requisite documents with the appropriate authority including filing of requisite documents with the Registrar of Companies."

"RESOLVED FURTHER THAT all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter(s) referred or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

12. Alteration of Articles of Association of the Company.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof) ("the Act") and subject to other permissions and approvals, if any, as may be required, the Articles of Association of the Company be and is hereby amended by way of addition of following Articles :

Article 89 A

(i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or rendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Article 110 A

The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may deem fit with respect to keeping of any such register.

Article 112 (iii)

Subject to the Provisions of the Act, an individual being the Chairperson of the Company may also hold the position of Managing Director / equivalent position of the Company at the same time.

"RESOLVED FURTHER THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof) ("the Act") and subject to other permissions and approvals, if any, as may be required, the Articles of Association of the Company be and is hereby amended by way of omission of following Articles :

Article 83

A member paying the whole or a part of the amount remaining unpaid on any shares held by him although no part of that amount has been called up shall not be entitled to voting rights in respect of the moneys so paid by him.

Article 89

Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Article 92

On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the vote he uses.

Article 116(iii)

The quorum of any of the committees so constituted by the Board may be any two members of the Committee.

Article 123(ii)

The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two Directors and of the Secretary of such other

person as the Board may appoint for the purpose; and those two Directors and the Secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

Article 128

Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not whilst carrying interest confer a right to dividend or to participate in profits.

"RESOLVED FURTHER THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof) ("the Act") and subject to other permissions and approvals, if any, as may be required, the Articles of Association of the Company be and is hereby amended by way of substitution of following Articles:

Article 102

Notwithstanding anything to the contrary contained in these regulations , so long as any moneys remain owing by the Company to the Bank(s), Financial Institution(s), Body Corporate(s) and Insurance Company(ies) or a State Government or State Government themselves (each of the above is hereinafter in this Article referred to as "The Corporation") out of any loans, debentures and assistance granted by them to the Company or so long as the Corporation hold or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placements, any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, (which Director/Directors, is/are hereinafter referred to as 'Nominee Director/s') on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the Nominee Directors at the option of the Corporation. Such Nominee Director/s shall not be required to hold any qualification share in the company. Also at the option of the Corporation such Nominee Director/ s shall not be liable to retire by rotation. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation hold or continues to hold debentures / shares in the Company as a result of under writing or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Directors so appointed in exercise of the said power shall ipso facto vacate such office immediately after the moneys owing by the Company to the Corporation are paid off or the Corporation ceasing to hold Debenture/shares in the company or on the satisfaction of liability of the Company arising out of guarantee furnished by the Corporation.

The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other directors of the company are entitled, but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the same need not be paid by the company to the Corporation or Director/s. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment of Directorship, such expenses shall also be paid or reimbursed by the Company to the Corporation or as the case may be, to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Corporation, the sittings fees in relation to such Nominee Director/s shall also accrue to the Corporation or as the case may be, to such Nominee Director/s,

Provided also that in the events of the Nominee Director/s being appointed as Whole-time Director/ s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights which are usually exercised or available to a whole time Director in the management of the affairs of the Company.

Article 103

Subject to the Provisions of the Act, not less than two-thirds of the total number of Directors other than Independent Directors shall be liable to retire by rotation as per the provisions of the Act, and rules made there under, from time to time.

Article 107(ii)

The remuneration payable to the Directors, including any Managing or Whole-time Director or Manager, if any, shall be paid as per the provisions of the Act.

Article 140

The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution."

13. Approval of request received from Mr. Mahendra Kumar Agarwal, Promoter for reclassification from "Promoter" category to "Public" category.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), and subject to approval from the BSE Limited, National Stock Exchange of India Limited (herein after referred to as stock exchanges), the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the members be and is hereby accorded to reclassify the following applicant from "Promoter" category to "Public" category:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Mr. Mahendra Kumar Agarwal	15,74,935	1.29
Total	**15,74,935**	**1.29**

RESOLVED FURTHER THAT in supersession of any provision, the applicant's special rights, if any, with respect to the Company through formal or informal arrangements including through any shareholders agreements, if any, stand withdrawn/terminated and be null and void, with immediate effect.

RESOLVED FURTHER THAT the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Listing Regulations have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of Listing Regulations post reclassification from "Promoter" to "Public".

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of Listing Regulations and in compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT the Directors and the Chief Financial Officer and the Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited, the National Stock Exchange of India Limited (as applicable), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions".

14. Approval of request received from TCI Finance Limited, Persons belonging to the Promoter Group for reclassification from "Promoter Group" category to "Public" category.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), and subject to approval from the BSE Limited, National Stock Exchange of India Limited (herein after referred to as stock exchanges), the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the members be and is hereby accorded to reclassify the following applicant from "Promoter Group" category to "Public" category:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
TCI Finance Limited	10,03,250	0.82
Total	**10,03,250**	**0.82**

RESOLVED FURTHER THAT in supersession of any provision, the applicant's special rights, if any, with respect to the Company through formal or informal arrangements including through any shareholders agreements, if any, stand withdrawn/terminated and be null and void, with immediate effect.

RESOLVED FURTHER THAT the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Listing Regulations have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of Listing Regulations post reclassification from "Promoter" to "Public".

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of Listing Regulations and in compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT the Directors and the Chief Financial Officer and the Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited, the National Stock Exchange of India Limited (as

applicable), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions".

15. Approval of request received from Mahendra Investment Advisors Private Limited, Persons belonging to the Promoter Group for reclassification from "Promoter Group" category to "Public" category.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), and subject to approval from the BSE Limited, National Stock Exchange of India Limited (herein after referred to as stock exchanges), the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the members be and is hereby accorded to reclassify the following applicant from "Promoter Group" category to "Public" category:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Mahendra Investment Advisors Private Limited	1,51,577	0.12
Total	**1,51,577**	**0.12**

RESOLVED FURTHER THAT in supersession of any provision, the applicant's special rights, if any, with respect to the Company through formal or informal arrangements including through any shareholders agreements, if any, stand withdrawn/terminated and be null and void, with immediate effect.

RESOLVED FURTHER THAT the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Listing Regulations have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of Listing Regulations post reclassification from "Promoter" to "Public".

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of Listing Regulations and in compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT the Directors and the Chief Financial Officer and the Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited, the National Stock Exchange of India Limited (as applicable), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions".

16. Approval of request received from Mahendra Kumar Agarwal & Sons HUF, Persons belonging to the Promoter Group for reclassification from "Promoter Group" category to "Public" category.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), and subject to approval from the BSE Limited, National Stock Exchange of India Limited (herein after referred to as stock exchanges), the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the members be and is hereby accorded to reclassify the following applicant from "Promoter Group" category to "Public" category:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Mahendra Kumar Agarwal & Sons HUF	5,46,083	0.45
Total	**5,46,083**	**0.45**

RESOLVED FURTHER THAT in supersession of any provision, the applicant's special rights, if any, with respect to the Company through formal or informal arrangements including through any shareholders agreements, if any, stand withdrawn/terminated and be null and void, with immediate effect.

RESOLVED FURTHER THAT the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Listing Regulations have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of Listing Regulations post reclassification from "Promoter" to "Public".

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such

reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of Listing Regulations and in compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT the Directors and the Chief Financial Officer and the Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited, the National Stock Exchange of India Limited (as applicable), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions".

17. Approval of request received from Bunny Investments & Finance Private Limited, Persons belonging to the Promoter Group for reclassification from "Promoter Group" category to "Public" category.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), and subject to approval from the BSE Limited, National Stock Exchange of India Limited (herein after referred to as stock exchanges), the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the members be and is hereby accorded to reclassify the following applicant from "Promoter Group" category to "Public" category:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Bunny Investments & Finance Private Limited	2,73,126	0.22
Total	**2,73,126**	**0.22**

RESOLVED FURTHER THAT in supersession of any provision, the applicant's special rights, if any, with respect to the Company through formal or informal arrangements including through any shareholders agreements, if any, stand withdrawn/terminated and be null and void, with immediate effect.

RESOLVED FURTHER THAT the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Listing Regulations have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of Listing Regulations post reclassification from "Promoter" to "Public".

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of Listing Regulations and in compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT the Directors and the Chief Financial Officer and the Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited, the National Stock Exchange of India Limited (as applicable), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions".

18. Approval of request received from Jubilee Commercial & Trading Private Limited, Persons belonging to the Promoter Group for reclassification from "Promoter Group" category to "Public" category.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), and subject to approval from the BSE Limited, National Stock Exchange of India Limited (herein after referred to as stock exchanges), the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the members be and is hereby accorded to reclassify the following applicant from "Promoter Group" category to "Public" category:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Jubilee Commercial & Trading Private Limited	1,49,823	0.12
Total	**1,49,823**	**0.12**

RESOLVED FURTHER THAT in supersession of any provision, the applicant's special rights, if any, with respect to the Company through formal or informal arrangements including through any shareholders agreements, if any, stand withdrawn/terminated and be null and void, with immediate effect.

RESOLVED FURTHER THAT the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Listing Regulations have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of Listing Regulations post reclassification from "Promoter" to "Public".

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of Listing Regulations and in compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT the Directors and the Chief Financial Officer and the Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited, the National Stock Exchange of India Limited (as applicable), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions".

By order of the Board of Directors
for **Gati Limited**

T.S. Maharani
(Company Secretary & Compliance Officer)
Membership No: F8069

Place: Hyderabad
Date: November 25, 2020

Registered & Corporate Office:
Plot No.20, Survey No.12,
Kothaguda, Kondapur, Hyderabad- 500 084
Tel: +91 040-7120 4284, Fax: +91 040-2311 2318
CIN: L63011TG1995PLC020121
Website: www.gati.com
Email: investor.services@gati.com

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA"), vide its General Circular No. 20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020 and General Circular No. 17/2020 dated April 13, 2020 (collectively referred to as "MCA Circulars") and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2020. The Registered office of the Company situated at Plot No. 20, Survey No. 12, Kothaguda, Kondapur, Hyderabad, Telangana – 500084 shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be made thereat.

2. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF THE AGM VENUE ARE NOT ANNEXED TO THIS NOTICE.

3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

4. All the Members of the Company including retail individual investors, institutional investors, etc. are encouraged to attend the AGM through VC/OAVM mode and vote electronically. Corporate members intending to appoint their authorised representatives to attend and participate at the AGM, are requested to send to the Company, a certified copy (in PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer at dvmgopal@gmail.com with a copy marked to evoting@nsdl.co.in.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting on first-come first-served basis by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.

6. The Board of Directors have considered and decided to include the Item nos. 4 to 18 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.

7. In compliance with the aforementioned MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depository Participant. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.gati.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of the National Securities Depository Limited ("NSDL") a service provider for voting through remote e-Voting, for participation in the 25th AGM through VC/OAVM facility and e-Voting during the 25th AGM at https://www.evoting.nsdl.com/.

8. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 4 to Item No. 18 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.

Procedure for joining the 25th AGM through VC/OAVM

9. NSDL will be providing facility for voting through remote e-Voting, for participation in the 25th AGM through VC/OAVM facility and e-Voting during the 25th AGM.

10. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by NSDL at https://www.evoting.nsdl.com by using their remote e-voting login credentials and selecting the link available against the EVEN for Company's AGM.

11. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned below in the Notice.

12. Members are encouraged to join the Meeting through Laptops for better experience.

13. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

14. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

15. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/1800-222-990 or contact Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in/022-24994360 or Mr. Sagar Ghosalkar, Assistant Manager- NSDL at sagar.ghosalkar@nsdl.co.in/022-24994553.

16. Members are encouraged to express their views / send their queries in advance mentioning their name demat account number / folio number, email id, mobile number at investor.services@gati.com. Questions / queries received by the Company till 5:00 p.m. on Friday, December 25, 2020 shall only be considered and responded during the AGM.

17. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

18. Procedure for remote e-Voting and e-Voting during the AGM:

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Regulations (as amended), and the MCA Circulars, the Company is providing facility to the Members to cast their vote on the matters set forth in AGM Notice, either by way of "remote e-voting" facility, prior to the AGM or by way of electronic voting system during the AGM. For this purpose, the Company has appointed NSDL for facilitating voting through electronic means, as the authorized agency.

The e-voting facility will be available during the following period:

Commencement of e-voting: From 9.00 a.m. (IST) on Wednesday, December 23, 2020.

End of e-voting: Up to 5.00 p.m. (IST) on Sunday, December 27, 2020.

Instructions:

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

I. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

II. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

III. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

IV. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

V. Your password details are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your email ID is not registered, please follow steps mentioned below-

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to (investor.services@gati.com).

- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (investor.services@gati.com).

- Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned above.

VI. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

VII. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

VIII. Now, you will have to click on "Login" button.

IX. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-Voting, shall be eligible to vote through e-Voting system during the AGM.

19. General Guidelines for shareholders:

(a) The company has appointed M/s. DVM & Associates LLP, Company Secretaries, Hyderabad, as Scrutinizer for conducting the e-voting process and voting process at the time of the meeting in a fair and transparent manner.

(b) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Monday, December 21, 2020. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, only shall be entitled to vote. A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.

(c) The login ID and password for e-voting is being sent to the members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting by e-mail.

(d) The facility for voting the Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cut-off date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

(e) Any person who become members of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. Monday, December 21, 2020, may obtain the User ID and password for e-voting by sending email intimating DP ID and Client ID / Folio No. at evoting@nsdl.co.in with a copy to investor.services@gati.com. However, if you are already registered with NSDL for e-voting, you can use your existing User ID and password for casting your vote.

The Register of members and share transfer books of the Company will remain closed from Tuesday, December 22, 2020 to Monday, December 28, 2020 (both days inclusive) for the purpose of AGM.

(f) The Scrutinizer, after scrutinising the votes cast at the time of the meeting and through e-voting, will, within stipulated time, make a consolidated scrutinizer's report and submit the same to the Chairman not later than 48 hours from the conclusion of the AGM. The results declared along with

the consolidated scrutinizer's report shall be placed on the website of the Company i.e. www.gati.com and on the website of NSDL i.e. https://www.evoting.nsdl.com/. The results shall simultaneously be communicated to the Stock Exchanges.

(g) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Monday, December 28, 2020.

(h) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

(i) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Mr. Amit Vishal, Senior Manager – NSDL at evoting@nsdl.co.in.

(j) Members whose shareholding is in electronic mode are requested to direct notifications about change of address and updates about bank account details to their respective depository participants(s) (DP).

(k) All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at its email ID investor.services@gati.com till the date of AGM.

(l) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and the certificate from Auditors of the Company certifying that the Gati Employee Stock Option Scheme (ESOS) are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. Monday, December 28, 2020. Members seeking to inspect such documents can send an email to investor.services@gati.com.

(m) The members who have not surrendered their old share certificates (Issued by the then Transport Corporation of India Limited, now known as TCI Industries Limited, the transferor Company, under the Scheme of Arrangement) are requested to surrender their old share certificates to TCI Industries Limited, Mukesh Textile Mills Private Limited, N.A. Sawant Marg, Colaba, Mumbai – 400 005 to obtain their new share certificates of four companies including this Company.

(n) Members holding shares in physical mode are:

i. Required to submit their Permanent Account Number (PAN) and bank account details to the Investor Service Department of the Company / Link Intime India Private Limited ("Link Intime"), Registrar and Share Transfer Agent of the Company, if not registered with the Company as mandated by SEBI.

ii. Advised to register the nomination in respect of their shareholding in the Company.

iii. Requested to register / update their e-mail address with the Investor Service Department of the Company / Link Intime for receiving all communications from the Company electronically.

(o) Members holding shares in electronic mode are:

i. Requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.

ii. Advised to contact their respective DPs for registering the nomination.

iii. Requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

(p) Non-Resident Indian members are requested to inform Link Intime / respective DPs, immediately of:

i. Change in their residential status on return to India for permanent settlement.

ii. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

(q) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Link Intime / Investor Service Department of the Company, in case the shares are held by them in physical form.

(r) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Link Intime / Investor Service Department, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

(s) Pursuant to the provisions of the Companies Act, 1956/2013, the Company has transferred the unpaid or unclaimed dividends for the period of seven years i.e. upto financial years 2011-12, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Members who have not encashed their dividend warrant(s) so far for

the financial year ended March 31, 2013 or any subsequent financial years are requested to make their claim to the office of Link Intime, Registrar and Share Transfer Agents or the Nodal Officer of the Company, at the Company's registered office. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the IEPF. Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.

(t) Pursuant to Section 101 and Section 136 of the Act, read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now the same by submitting a duly filled-in 'Shareholder Registration Form' available on the website of the Company i.e. www.gati.com. Alternatively, Members holding shares in physical mode and who have not registered/updated their e-mail addresses with the Company are requested to register/update their email addresses by sending a duly signed request letter to the Company's Registrar and Share Transfer Agent viz. Link Intime by providing Folio No. and Name of the Member or may also send an e-mail to Mrs. T.S. Maharani, Company Secretary at investor.services@gati.com. Members holding shares in demat form are requested to register their email address with their Depository Participant(s) only. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.

(u) The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2011-12, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on September 25, 2019 (date of the previous Annual General Meeting) on the website of the Company and the same can be accessed through the link: https://www.gati.com/investor-relations/unclaimed-dividend-details/. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

(v) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company is under the process of transferring the shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more to the IEPF Authority which are due for transfer during the financial year 2019-20. Details of shares to be transfer to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: https://www.gati.com/investor-relations/unclaimed-dividend-details/.

(w) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: http://www.iepf.gov.in/IEPF/refund.html or contact Link Intime for lodging claim for refund of shares and / or dividend from the IEPF Authority.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item No. 4

The Company has branch outside India (at Nepal) and may also open / acquire new branches outside India in future. It may be necessary to appoint branch auditors for carrying out the audit of the accounts of such branches. The Members are requested to authorize the Board of Directors of the Company to appoint branch auditors in consultation with the Company's Auditors and fix their remuneration.

None of the Directors or Key Managerial Person (KMP) or relatives of Directors and KMP, are in any way concerned with or interested, financially or otherwise, in the resolution at item no. 4 of the accompanying notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Item No. 5

The Board of Directors of the Company has appointed Mr. Shashi Kiran Shetty (DIN: 00012754) as an Additional Director of the Company with effect from February 04, 2020, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company. In terms of the provisions of Section 161(1) of the Act, Mr. Shashi Kiran Shetty would hold office up to the date of the ensuing Annual General Meeting.

The Company is in receipt of the notice in writing from a member proposing the candidature of Mr. Shashi Kiran Shetty for the office of Director of the Company.

The Company has received consent in writing to act as Director in Form DIR-2 and intimation in Form DIR-8 to the effect that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Notice received under Section 160 of the Act is available for inspection by the members at the Registered office of the Company during the business hours on any working day up to the date of the Annual General Meeting.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on February 04, 2020 has approved the appointment of Mr. Shashi Kiran Shetty as Non-Executive Non-Independent Director and recommends the same for the approval by the Shareholders of the Company.

Except Mr. Shashi Kiran Shetty, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 5 of this Notice.

Other information about Mr. Shashi Kiran Shetty, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings issued by ICSI are attached as Annexure to the Notice.

Item No. 6

The Board of Directors of the Company has appointed Mr. Kaiwan Kalyaniwalla (DIN: 00060776) as an Additional Director of the Company with effect from February 04, 2020, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company. In terms of the provisions of Section 161(1) of the Act, Mr. Kaiwan Kalyaniwalla would hold office up to the date of the ensuing Annual General Meeting.

The Company is in receipt of the notice in writing from a member proposing the candidature of Mr. Kaiwan Kalyaniwalla for the office of Director of the Company.

The Company has received consent in writing to act as Director in Form DIR-2 and intimation in Form DIR-8 to the effect that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Notice received under Section 160 of the Act is available for inspection by the members at the Registered office of the Company during the business hours on any working day up to the date of the Annual General Meeting.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on February 04, 2020 has approved the appointment of Mr. Kaiwan Kalyaniwalla as Non-Executive Non-Independent Director and recommends the same for the approval by the Shareholders of the Company.

Except Mr. Kaiwan Kalyaniwalla, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 5 of this Notice.

Other information about Mr. Kaiwan Kalyaniwalla, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings issued by ICSI are attached as Annexure to the Notice.

Item No. 7

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, appointed Ms. Cynthia D'Souza (DIN: 00420046) as an Additional Director with effect from July 03, 2020 pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and as an Independent Director pursuant to Section 149 of the Act. In terms of the provisions of Section 161(1) of the Companies Act, 2013, Ms. Cynthia D'Souza will hold office only up to the date of ensuing Annual General Meeting.

The Company has received consent in writing to act as Director in Form DIR-2 and intimation in Form DIR-8 to the effect that she is not disqualified u/s 164(2) of the Act to act as Director. The Company has also received declaration from him that she meets the criteria of independence as prescribed u/s 149(6) of the Act. In the opinion of the Board, Ms. Cynthia D'Souza fulfils the conditions specified in the Act and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management.

Ms. Cynthia D'Souza, being eligible and offering herself for appointment, is proposed to be appointed as an Independent Director for a First Term of 5 (Five) years commencing from July 03, 2020.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on July 03, 2020 has approved the appointment of Ms. Cynthia D'Souza as an Independent Director and recommends the same for the approval by the Shareholders of the Company.

Except Ms. Cynthia D'Souza, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 7 of this Notice.

Other information about Ms. Cynthia D'Souza, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings issued by ICSI are attached as Annexure to the Notice.

Item No. 8

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, appointed Mr. Mohinder Pal Bansal (DIN: 01626343) as an Additional Director with effect from July 03, 2020 pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and as an Independent Director pursuant to Section 149 of the Act. In terms of the provisions of Section 161(1) of the Act, Mr. Mohinder Pal Bansal will hold office only up to the date of ensuing Annual General Meeting.

The Company has received consent in writing to act as Director in Form DIR-2 and intimation in Form DIR-8 to the effect that he is not disqualified u/s 164(2) of the Act to act as Director. The Company has also received declaration from him that he meets the criteria of independence as prescribed u/s 149(6) of the Act. In the opinion of the Board, Mr. Mohinder Pal Bansal fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Mr. Mohinder Pal Bansal, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a First Term of 5 (Five) years commencing from July 03, 2020.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on July 03, 2020 has approved the appointment of Mr. Mohinder Pal Bansal as an Independent Director and recommends the same for the approval by the Shareholders of the Company.

Except Mr. Mohinder Pal Bansal, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 8 of this Notice.

Other information about Mr. Mohinder Pal Bansal, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings issued by ICSI are attached as Annexure to the Notice.

Item No. 9

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, appointed Mr. Dinesh Kumar Lal (DIN: 00037142) as an Additional Director with effect from July 03, 2020 pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and as an Independent Director pursuant to Section 149 of the Act. In terms of the provisions of Section 161(1) of the Act, Mr. Dinesh Kumar Lal will hold office only up to the date of ensuing Annual General Meeting.

The Company has received consent in writing to act as Director in Form DIR-2 and intimation in Form DIR-8 to the effect that he is not disqualified u/s 164(2) of the Act to act as Director. The Company has also received declaration from him that he meets the criteria of independence as prescribed u/s 149(6) of the Act. In the opinion of the Board, Mr. Dinesh Kumar Lal fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Mr. Dinesh Lal, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a First Term of 5 (Five) years commencing from July 03, 2020.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on July 03, 2020 has approved the appointment of Mr. Dinesh Kumar Lal as an Independent Director and recommends the same for the approval by the Shareholders of the Company.

Except Mr. Dinesh Kumar Lal, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 9 of this Notice.

Other information about Mr. Dinesh Kumar Lal, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings issued by ICSI are attached as Annexure to the Notice.

Item No. 10

In accordance with the provisions of the Companies Act, 2013 ("the Act") the Board of Directors of the Company has appointed Mr. Shashi Kiran Shetty (DIN: 00012754) as an Additional Director of the Company with effect from February 04, 2020, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company. In terms of the provisions of Section 161(1) of the Act, Mr. Shashi Kiran Shetty would hold office up to the date of the ensuing Annual General Meeting.

Mr. Shashi Kiran Shetty has been appointed as the Chairman of the Board w.e.f. July 24, 2020. Further the Company is in receipt of the consent letter in writing from Mr. Shashi Kiran Shetty (DIN:00012754) to act as the Managing Director of the Company.

Considering Mr. Shetty's outstanding contribution in developing and expanding the business of the Company and in development of trade and the industry in which it operates, the Board of Directors of the Company at their meeting held on November 04, 2020 has appointed Mr. Shashi Kiran Shetty as the Managing Director of the Company subject to approval of the Members of the Company, for a period of five years effective from November 04, 2020 on the following terms & conditions as recommended by the Nomination and Remuneration Committee of the Company:

Proposed Terms & Conditions and Remuneration:

(i) Tenure:

The appointment shall be for a period of 5 years commencing from November 04, 2020 subject to the provisions of the Listing Regulations and the Act as may be amended both from time to time.

(ii) Duties and Responsibilities:

Subject to the superintendence, control and overall direction of the Board of Directors of the Company, the Managing Director shall have the power for general conduct and management of the whole of business and affairs of the Company, except in the matter which may be specifically required to be done by the Board either as per the provisions of the Act or by the Articles of Association of the Company and the Managing Director shall also exercise and perform such powers and duties as the Board of Directors of the Company (hereinafter called as "the Board") may from time to time determine and shall also do and perform all other acts and things which in the ordinary course of business he may consider necessary or proper or in the interest of the Company.

(iii) Salary:

Mr. Shashi Kiran Shetty will draw no remuneration from the Company. However, as he is also the Chairman & Managing Director of Allcargo Logistics Limited (Holding Company), he will draw remuneration from the Holding Company.

(iv) Perquisites:

Mr. Shashi Kiran Shetty will not avail any perquisites from the Company as he shall avail the same from the Holding Company.

(v) Commission:

Based on the Net profits of the Company computed in the manner laid down in Section 198 of the Act, and subject to the overall ceiling limits as prescribed under Section 197 & 198 and other applicable provisions of the Act read with Schedule V of the Act, Mr. Shashi Kiran Shetty may draw commission from the Company.

(vi) Other terms and conditions:

a) The Managing Director as long as he holds the said position shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

b) Mr. Shashi Kiran Shetty shall, while he continues to hold office of the Managing Director, be subject to retirement by rotation and he shall be reckoned as a Director for the purpose of determining the directors liable to retire by rotation and

such retirement and re-appointment shall, unless he is not re-appointed as a director, not constitute a break in his engagement as Managing Director during the tenure of his term and subsequent renewals thereof. Mr. Shashi Kiran Shetty shall not ipso facto cease to be a Director, if he ceases to hold office of Managing Director for any cause.

c) Notice Period shall be six months by either himself or by the Company.

d) Mr. Shashi Kiran Shetty can be appointed as Director or Managing Director or Whole-Time Director on the Board of other Companies including subsidiaries in accordance with the provisions of the applicable laws in India.

The Board recommends the Special Resolution set out at Item No. 10 of the Notice for the approval by the Members.

Except Mr. Shashi Kiran Shetty, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 10 of this Notice.

Other information about Mr. Shashi Kiran Shetty, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings issued by ICSI are attached as Annexure to the Notice.

Item No. 11

The Board of Directors vide resolution passed by circulation dated November 25, 2020 decided to alter the Capital clause of the Memorandum of Association of the Company, to re-classify (un-issued capital) and increase the Authorised Share Capital of the Company with the approval of the shareholders of the Company.

The authorised share capital of the Company, at present, is Rs. 30,00,00,000/- (Rupees Thirty Crores) comprising of 12,50,00,000 (Twelve Crores Fifty Lakhs) equity shares of face value of Rs. 2/- each and 5,00,000 (Five Lakhs) Redeemable Preference Shares of Rs. 100/- each.

The Company with the objective to augment the long-term resources to finance its business operations and at the same time for financing Working Capital requirement for general Corporate Purposes, is chalking down various fund raising options that involves issuance of Equity Shares which requires the Company to enhance its existing Authorised Share Capital base.

Accordingly, it is deemed appropriate to re-classify and increase the Authorised Share Capital of the Company and for that purpose, the Memorandum of Association of the Company is proposed to be altered in the manner specified in resolution at Item No. 11 of the accompanied notice.

The alteration in the Memorandum of Association of the Company is only consequential changes to reflect the proposed increase in the Authorised share capital of the Company.

Save and except for the shares of the Company held by them, none of the Directors or Key Managerial Personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 12

The Board in its meeting held on November 04, 2020 decided to alter the Articles of Association with the approval of the Shareholders of the Company more appropriately to align with the provisions of the Companies Act, 2013. It is therefore proposed to amend the Articles of Association of the Company pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013.

Your Board, accordingly, recommends passing of the Special resolution as set out at Item No.12 of this Notice for the approval of the Members. None of the Directors, Key Managerial Personnel, relatives of Directors and Key Managerial Personnel of the Company is directly/ indirectly interested in the above resolution except to the extent of their respective interest as shareholders of the Company.

Item No. 13

The Company had received request from Mr. Mahendra Kumar Agarwal, Promoter of the Company for reclassification from the 'Promoter' category to 'Public' category. The following are the details regarding his shareholding in the Company:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Mr. Mahendra Kumar Agarwal	15,74,935	1.29
Total	**15,74,935**	**1.29**

Pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") along with amendments thereto, the Board of Directors of the Company shall analyze the request, place the same before the shareholders in a general meeting for approval and apply for stock exchanges' approval subsequently.

Mr. Mahendra Kumar Agarwal was the erstwhile founder and Managing Director of the Company.

On the basis of the request received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of Listing Regulations, Mr. Mahendra Kumar Agarwal seeking reclassification confirmed that:

i) He, do not hold more than ten per cent of the total Voting Rights in the Company;

ii) He do not exercise control over the affairs of the Company directly or indirectly;

iii) He do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

iv) He do not represent on the Board of Directors (including not having a Nominee Director) of the Company;

v) He do not act as a Key Managerial Person in the Company;

vi) He is not 'wilful defaulter' as per the Reserve Bank of India Guidelines;

vii) He is not fugitive economic offender.

Further, they have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of Listing Regulations.

The said requests for reclassification were considered, analyzed and approved by the Board of Directors at its meeting held on September 28, 2020, subject to members' approval and stock exchanges' approval subsequently.

The Promoter shareholding in the Company after considering the reclassification as per Item no. 13, the same would be 50.61%.

None of the Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 13 of this Notice.

The Board recommends the resolution set forth in Item no. 13 for the approval of the Members.

Item No. 14

The Company had received request from TCI Finance Limited, Persons belonging to the Promoter group of the Company for reclassification from the 'Promoter Group' category to 'Public' category. The following are the details regarding its respective shareholding in the Company:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
TCI Finance Limited	10,03,250	0.82
Total	**10,03,250**	**0.82**

Pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") along with amendments thereto, the Board of Directors of the Company shall analyze the request, place the same before the shareholders in a general meeting for approval and apply for stock exchanges' approval subsequently.

TCI Finance Limited was incorporated on November 29, 1973 in India. TCI Finance Limited is a Non-Banking Finance Company.

On the basis of the request received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of Listing Regulations, TCI Finance Limited seeking reclassification confirmed that:

i) They, together do not hold more than ten per cent of the total Voting Rights in the Company;

ii) They do not exercise control over the affairs of the Company directly or indirectly;

iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

iv) They do not represent on the Board of Directors (including not having a Nominee Director) of the Company;

v) They do not act as a Key Managerial Person in the Company;

vi) They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;

vii) They are not fugitive economic offenders.

Further, they have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of Listing Regulations.

The said requests for reclassification were considered, analyzed and approved by the Board of Directors at its meeting held on September 28, 2020, subject to members' approval and stock exchanges' approval subsequently.

The Promoter shareholding in the Company after considering the reclassification as per Item no. 13 & 14, the same would be 49.79%.

None of the Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 14 of this Notice.

The Board recommends the resolution set forth in Item no. 14 for the approval of the Members.

Item No. 15

The Company had received request from Mahendra Investment Advisors Private Limited, Persons belonging to the Promoter group of the Company for reclassification from the 'Promoter Group' category to 'Public' category. The following are the details regarding its respective shareholding in the Company:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Mahendra Investment Advisors Private Limited	1,51,577	0.12
Total	**1,51,577**	**0.12**

Pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") along with amendments thereto, the Board of Directors of the Company shall analyze the request, place the same before the shareholders in a general meeting for approval and apply for stock exchanges' approval subsequently.

Mahendra Investment Advisors Private Limited was incorporated on August 05, 2004 in India with the intention to make investments in various manners.

On the basis of the request received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of Listing Regulations, Mahendra Investment Advisors Private Limited seeking reclassification confirmed that:

i) They, together do not hold more than ten per cent of the total Voting Rights in the Company;

ii) They do not exercise control over the affairs of the Company directly or indirectly;

iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

iv) They do not represent on the Board of Directors (including not having a Nominee Director) of the Company;

v) They do not act as a Key Managerial Person in the Company;

vi) They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;

vii) They are not fugitive economic offenders.

Further, they have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of Listing Regulations.

The said requests for reclassification were considered, analyzed and approved by the Board of Directors at its meeting held on September 28, 2020, subject to members' approval and stock exchanges' approval subsequently.

The Promoter shareholding in the Company after considering the reclassification as per Item no. 13, 14 & 15, the same would be 49.67%.

None of the Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 15 of this Notice.

The Board recommends the resolution set forth in Item no. 15 for the approval of the Members.

Item No. 16

The Company had received request from Mahendra Kumar Agarwal & Sons HUF, Persons belonging to the Promoter group of the Company for reclassification from the 'Promoter Group' category to 'Public' category. The following are the details regarding its respective shareholding in the Company:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Mahendra Kumar Agarwal & Sons HUF	5,46,083	0.45
Total	**5,46,083**	**0.45**

Pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") along with amendments thereto, the Board of Directors of the Company shall analyze the request, place the same before the shareholders in a general meeting for approval and apply for stock exchanges' approval subsequently.

On the basis of the request received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of Listing Regulations, Mahendra Kumar Agarwal & Sons HUF seeking reclassification confirmed that:

i) They, together do not hold more than ten per cent of the total Voting Rights in the Company;

ii) They do not exercise control over the affairs of the Company directly or indirectly;

iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

iv) They do not represent on the Board of Directors (including not having a Nominee Director) of the Company;

v) They do not act as a Key Managerial Person in the Company;

vi) They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;

vii) They are not fugitive economic offenders.

Further, they have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of Listing Regulations.

The said requests for reclassification were considered, analyzed and approved by the Board of Directors at its meeting held on September 28, 2020, subject to members' approval and stock exchanges' approval subsequently.

The Promoter shareholding in the Company after considering the reclassification as per Item no. 13, 14, 15 & 16 the same would be 49.22%.

None of the Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 16 of this Notice.

The Board recommends the resolution set forth in Item no. 16 for the approval of the Members.

Item No. 17

The Company had received request from Bunny Investments & Finance Private Limited, Persons belonging to the Promoter group of the Company for reclassification from the 'Promoter Group' category to 'Public' category. The following are the details regarding its respective shareholding in the Company:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Bunny Investments & Finance Private Limited	2,73,126	0.22
Total	**2,73,126**	**0.22**

Pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") along with amendments thereto, the Board of Directors of the Company shall analyze the request, place the same before the shareholders in a general meeting for approval and apply for stock exchanges' approval subsequently.

On the basis of the request received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of Listing Regulations, Bunny Investments & Finance Private Limited seeking reclassification confirmed that:

i) They, together do not hold more than ten per cent of the total Voting Rights in the Company;

ii) They do not exercise control over the affairs of the Company directly or indirectly;

iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

iv) They do not represent on the Board of Directors (including not having a Nominee Director) of the Company;

v) They do not act as a Key Managerial Person in the Company;

vi) They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;

vii) They are not fugitive economic offenders.

Further, they have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of Listing Regulations.

The said requests for reclassification were considered, analyzed and approved by the Board of Directors at its meeting held on September 28, 2020, subject to members' approval and stock exchanges' approval subsequently.

The Promoter shareholding in the Company after considering the reclassification as per Item no. 13, 14, 15, 16 & 17 the same would be 49.00%.

None of the Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 17 of this Notice.

The Board recommends the resolution set forth in Item no. 17 for the approval of the Members.

Item No. 18

The Company had received request from Jubilee Commercial & Trading Private Limited, Persons belonging to the Promoter group of the Company for reclassification from the 'Promoter Group' category to 'Public' category. The following are the details regarding its respective shareholding in the Company:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Jubilee Commercial & Trading Private Limited	1,49,823	0.12
Total	**1,49,823**	**0.12**

Pursuant to Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") along with amendments thereto, the Board of Directors of the Company shall analyze the request, place the same before the shareholders in a general meeting for approval and apply for stock exchanges' approval subsequently.

On the basis of the request received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of Listing Regulations, Jubilee Commercial & Trading Private Limited seeking reclassification confirmed that:

i) They, together do not hold more than ten per cent of the total Voting Rights in the Company;

ii) They do not exercise control over the affairs of the Company directly or indirectly;

iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

iv) They do not represent on the Board of Directors (including not having a Nominee Director) of the Company;

v) They do not act as a Key Managerial Person in the Company;

vi) They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;

vii) They are not fugitive economic offenders.

Further, they have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of Listing Regulations.

The said requests for reclassification were considered, analyzed and approved by the Board of Directors at its meeting held on September 28, 2020, subject to members' approval and stock exchanges' approval subsequently.

The Promoter shareholding in the Company after considering the reclassification as per Item no. 13, 14, 15, 16, 17 & 18 the same would be 48.88%.

None of the Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 18 of this Notice.

The Board recommends the resolution set forth in Item no. 18 for the approval of the Members.

By order of the Board of Directors
for **Gati Limited**

T.S. Maharani
(Company Secretary & Compliance Officer)
Membership No: F8069

Place: Hyderabad
Date: November 25, 2020

Registered & Corporate Office:
Plot No.20, Survey No.12,
Kothaguda, Kondapur, Hyderabad- 500 084
Tel: +91 040-7120 4284, Fax: +91 040-2311 2318
CIN: L63011TG1995PLC020121
Website: www.gati.com
Email: investor.services@gati.com

ANNEXURE

PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD 2 ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/ RE-APPOINTED IS FURNISHED BELOW:

Mr. Yasuhiro Kaneda (DIN: 07619127)

Age	58
Qualifications	Commerce Graduate from Meiji University
Experience (including expertise in specific functional area) / Brief Resume	Mr. Yasuhiro Kaneda joined Kintetsu World Express Inc in 1985. He has more than 10 years of working experience in various leadership positions for development of KWE business at North America. He also headed the export operations of KWE Japan market. He is a commerce graduate from Meiji University and has rich experience of more than 30 years in Freight Forwarding and Logistics Industry. Presently, he is Managing Director of KWE South East and South Asia Region.
Terms & Conditions of Re-appointment	Non – Executive Director liable to retire by rotation
Remuneration Last Drawn (FY 2019-20)	Rs. 2,50,000 (Commission Paid for the FY 2018-19)
Remuneration proposed to be paid	-
Date of first appointment on the Board	04-11-2016
Shareholding in the Company as on March 31, 2020	-
Relationship with other Directors/Key Managerial Personnel	Not related to any director.
Number of meetings of the Board attended during the financial year (2019-20)	7 out of 11
Directorships of other Boards as on March 31, 2020	Kintetsu World Express (India) Private Limited
Membership/ Chairmanship of committees of other listed companies as on March 31, 2020 (includes only Audit Committee and Stakeholders Relationship Committee)	-

Mr. Shashi Kiran Shetty (DIN: 00012754)

Age	63
Qualifications	Bachelor of Commerce
Experience (including expertise in specific functional area) / Brief Resume	In 1993, he founded Allcargo Logistics which today enjoys the status of being India's largest integrated logistics company. Its trajectory of success and wide portfolio of world-class services like MTO, Contract Logistics and Project Equipment are testimony to Mr. Shetty's entrepreneurial spirit and foresight.
Terms & Conditions of Re-appointment	As mentioned in the Notice and explanatory statement.
Remuneration Last Drawn (FY 2019-20)	-
Remuneration proposed to be paid	-
Date of first appointment on the Board	04-02-2020
Shareholding in the Company as on March 31, 2020	-
Relationship with other Directors/Key Managerial Personnel	Not related to any director.
Number of meetings of the Board attended during the financial year (2019-20)	1 out of 1
Directorships of other Boards as on March 31, 2020	▪ Allcargo Logistics Limited; ▪ AGL Warehousing Private Limited; ▪ Avvashya CCI Logistics Private Limited; ▪ Allcargo Inland Park Private Limited; ▪ Allcargo Multimodal Private Limited; ▪ Malur Logistics and Industrial Parks Private Limited; ▪ Allcargo Projects Private Limited; ▪ Alltrans Logistics Private Limited; ▪ Avashya Corporation Private Limited; ▪ Avashya Holdings Private Limited; ▪ FTL (India) Private Limited; and ▪ Talentos Entertainment Private Limited.
Membership/ Chairmanship of committees of other listed companies as on March 31, 2020 (includes only Audit Committee and Stakeholders Relationship Committee)	**Allcargo Logistics Limited:-** ▪ Stakeholders Relationship Committee

Mr. Kaiwan Kalyaniwalla (DIN: 00060776)

Age	56
Qualifications	▪ Bachelor's degree in economics and political science; and ▪ Bachelor of Law.
Experience (including expertise in specific functional area) / Brief Resume	Mr. Kalyaniwalla has been in the practice of law for over 32 years and is enrolled as a Solicitor of the Supreme Court of England and Wales. His practice is predominantly in the field of corporate laws, property laws, tax laws and general commercial laws.
Terms & Conditions of Re-appointment	Non-Executive Director liable to retire by rotation
Remuneration Last Drawn (FY 2019-20)	-
Remuneration proposed to be paid	-
Date of first appointment on the Board	04-02-2020
Shareholding in the Company as on March 31, 2020	-
Relationship with other Directors/Key Managerial Personnel	Not related to any director.
Number of meetings of the Board attended during the financial year (2019-20)	1 out of 1
Directorships of other Boards as on March 31, 2020	▪ Modern India Limited; ▪ Allcargo Logistics Limited; ▪ Iorn & Metal Traders Private Limited; ▪ Bombay Metal And Alloys Mfg Company Private Limited ▪ Transindia Logistic Park Private Limited; ▪ Synchro Investments Private Limited; and ▪ Quantum Trustee Company Private Limited
Membership/ Chairmanship of committees of other listed companies as on March 31, 2020 (includes only Audit Committee and Stakeholders Relationship Committee)	**Modern India Ltd.:-** ▪ Audit Committee **Allcargo Logistics Limited:-** ▪ Stakeholders Relationship Committee ▪ Audit Committee

Ms. Cynthia D'Souza (DIN: 00420046)

Age	67
Qualifications	▪ Graduation in Psychology from Bombay University; ▪ Masters Degree in Human Resources (Including Industrial Psychology) from a premier Institute in India (TATA Institute of Social Sciences); ▪ Certified Trainer in the Zenger Miller Leadership Training (USA); ▪ Seven Dimensions of Culture Model - Trompenaars Hampden-Turner Intercultural Management Consulting; ▪ Certified Assessor for Assessment Centres.
Experience (including expertise in specific functional area) / Brief Resume	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.
Terms & Conditions of Re-appointment	As mentioned in the Notice and explanatory statement
Remuneration Last Drawn (FY 2019-20)	-
Remuneration proposed to be paid	-
Date of first appointment on the Board	03-07-2020
Shareholding in the Company	-
Relationship with other Directors/Key Managerial Personnel	Not related to any director.
Number of meetings of the Board attended during the financial year (2019-20)	Not Applicable
Directorships of other Boards as on March 31, 2020	▪ Cynthesis Management Consultants Private Limited; ▪ Watnxt Advisory Services Private Limited
Membership/ Chairmanship of committees of other listed companies as on March 31, 2020 (includes only Audit Committee and Stakeholders Relationship Committee)	-

Mr. Mohinder Pal Bansal (DIN: 01626343)

Age	63
Qualifications	Chartered Accountant
Experience (including expertise in specific functional area) / Brief Resume	Mr. Bansal has 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.
Terms & Conditions of Re-appointment	As mentioned in the Notice and explanatory statement
Remuneration Last Drawn (FY 2019-20)	Not Applicable
Remuneration proposed to be paid	-
Date of first appointment on the Board	03-07-2020
Shareholding in the Company	-
Relationship with other Directors/Key Managerial Personnel	Not related to any director.
Number of meetings of the Board attended during the financial year (2019-20)	Not Applicable
Directorships of other Boards as on March 31, 2020	▪ Navneet Education Limited; ▪ Allcargo Logistics Limited; ▪ Transindia Logistic Park Private Limited; ▪ Hindustan Cargo Limited; ▪ Avvashya CCI Logistics Private Limited; ▪ Prince Pipes and Fittings Limited; ▪ K 12 Techno Services Private Limited; ▪ Blacksoil Capital Private Limited; ▪ Blacksoil Asset Management Private Limited; and ▪ Allnet Financial Services Private Limited.
Membership/ Chairmanship of committees of other listed companies as on March 31, 2020 (includes only Audit Committee and Stakeholders Relationship Committee)	**Navneet Education Limited:-** ▪ Audit Committee; ▪ Stakeholders Relationship Committee. **Allcargo Logistics Limited:-** ▪ Audit Committee **Prince Pipes and Fittings Limited:-** ▪ Audit Committee

Mr. Dinesh Kumar Lal (DIN: 00037142)

Age	68
Qualifications	B.Com (Hons.)
Experience (including expertise in specific functional area) / Brief Resume	Mr. Dinesh is a shipping professional with more than 4 decades of experience in the Shipping Industry. His Management skills and entrepreneurial spirit has driven many conglomerates to achieve pinnacle of success during his tenure. 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.
Terms & Conditions of Re-appointment	As mentioned in the Notice and explanatory statement
Remuneration Last Drawn (FY 2019-20)	Not Applicable
Remuneration proposed to be paid	-
Date of first appointment on the Board	03-07-2020
Shareholding in the Company	-
Relationship with other Directors/Key Managerial Personnel	Not related to any director.
Number of meetings of the Board attended during the financial year (2019-20)	Not Applicable
Directorships of other Boards as on March 31, 2020	▪ Lotus Court Limited; ▪ Speedy Multimodes Limited; ▪ Raymond Limited; ▪ Shefali Farms Private Limited; ▪ AMI Global Logistics Private Limited; ▪ Hi-TOS Liner Agency Private Limited; ▪ Alert Agencies and Investments Private Limited; ▪ Santusht Credit Capital and Finance Private Limited (under liquidation); and ▪ Eden Realtors Private Limited.
Membership/ Chairmanship of committees of other listed companies as on March 31, 2020 (includes only Audit Committee and Stakeholders Relationship Committee)	**Raymond Limited:-** ▪ Stakeholders Relationship Committee

By order of the Board of Directors
for **Gati Limited**

T.S. Maharani
(Company Secretary & Compliance Officer)
Membership No: F8069

Place: Hyderabad
Date: November 25, 2020

Registered & Corporate Office:
Plot No.20, Survey No.12,
Kothaguda, Kondapur, Hyderabad- 500 084
Tel: +91 040-7120 4284, Fax: +91 040-2311 2318
CIN: L63011TG1995PLC020121
Website: www.gati.com
Email: investor.services@gati.com

An Allcargo Company



India's Premier Express Logistics Company

Annual Report 2019-2020

Corporate Information

Board of Directors

Mr. Shashi Kiran Shetty
Chairman

Mr. N Srinivasan
Director

Mr. P N Shukla
Director

Mr. Yasuhiro Kaneda
Director

Mr. Kaiwan Kalyaniwala
Additional Director

Ms. Cynthia Dsouza
Additional Director

Mr. Mohinder Pal Bansal
Additional Director

Mr. Dinesh Lal
Additonal Director

Key Managerial Personnel

Mr. Shashi Kiran Shetty
Managing Director
(Appointed w.e.f. November 04, 2020)

Peter H. Jayakumar
Chief Financial Officer
(Resigned w.e.f. October 09, 2020)

Rohan Mittal
Chief Financial Officer &
Chief Transformation Officer
(Appointed w.e.f. October 09, 2020)

T.S. Maharani
Company Secretary &
Compliance Officer

Members of the Committees

Audit Committee

Mr. N Srinivasan, Chairman
Mr. Kaiwan Kalyaniwala, Member
Mr. Dinesh Lal, Member
Mr. Mohinder Pal Bansal, Member

Nomination & Remuneration Committee

Mr. P N Shukla, Chairman
Mr. Shashi Kiran Shetty, Member
Ms. Cynthia Dsouza, Member
Mr. Yasuhiro Kaneda, Member

Stakeholders Relationship Committee

Ms. Cynthia D'Souza, Chairperson
Mr. Yasuhiro Kaneda, Member
Mr. Kaiwan Kalyaniwala, Member

Corporate Social Responsibility Committee

Mr. Shashi Kiran Shetty, Chairman
Ms. Cynthia D'Souza, Member
Mr. Dinesh Lal, Member

Auditors

M/s. Singhi & Co.
Chartered Accountants, Kolkata

Registered & Corp. Office

Plot no.20, Survey. no.12, Kothaguda,
Kondapur, Hyderabad – 500 084
Tel : 040 – 7120 4284
Fax: 040 - 2311 2318

Bankers

State Bank of India
DCB Bank Ltd
Tata Motors Finance Solutions Limited
Syndicate Bank
Hero Fincorp Limited
Federal Bank Limited
Bank of Bahrain and Kuwait B.S.C
Kotak Mahindra Bank
HDFC Bank Ltd
The South Indian Bank Limited

Registrar and Share Transfer Agents

Link Intime India Private Limited
Corporate Registry
Unit: Gati Limited
C -101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400 083
Maharashtra
Tel. No.: 18003454001
E-mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Disclaimer: *We have exercised utmost care in the preparation of this report. It contains forecasts and/or information relating to forecasts. Forecasts are based on facts, expectations, and/or past figures. As with all forward-looking statements, forecasts are connected with known and unknown uncertainties, which may mean the actual result deviate significantly from the forecast. Forecasts prepared by the third parties, or data or evaluations used by third parties and mentioned in this communication, may be inappropriate, incomplete, or falsified. We cannot assess whether information in this report has been taken from third parties, or these provide the basis of our own evaluations, such use is made known in this report. As a result of the above-mentioned circumstances, we can provide no warranty regarding the correctness, completeness, and up-to-date nature of information taken, and declared as being taken, from third parties, as well as for forward-looking statements, irrespective of whether these derive from third parties or ourselves. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.*

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ANNUAL REPORT

2019-2020



Rely on our expertise, experience and excellence.

Count on our customised, customer-focused solutions.

Believe in our endeavour to sustain value creation.

At Gati, we are perfectly poised to stay true to our intent of delivering value to all our stakeholders, while fostering strategic collaborations and creating synergies for growth.

With our legacy and capabilities, extensive domestic coverage, world-class facilities and digitally-enabled operations we offer end-to-end, integrated logistics solutions that exemplify reliability in India's dynamic and agile delivery landscape.

As an Allcargo Company, we can now tap into a global network operating in more than 160 countries and expand the scope of our services to include diverse logistics business verticals.

Our ability to meet diverse logistics needs, tailor services for a wide range of customers comprising individual households, SMEs and multinational corporations, and assure them of safe, timely deliveries makes us a preferred business partner.

We are committed to a model of performance that is scalable, adaptable and geared for business transformation that accelerates strategic progress and enables us to achieve extraordinary objectives.

Business Outlook

With more than three decades of experience, Gati Limited (Gati), offers Express Distribution and Supply Chain Solutions to meet varied customer requirements. A commitment to facilitate our customers' business growth drives us to deliver customized solutions - designed to delight and ensure maximum satisfaction.

Incorporated in 1989 as an Express Distribution service provider, today, we have evolved to provide multiple services and solutions in logistics and distribution, to emerge as a market leader in varied segments. With a strong presence in the Asia Pacific region and SAARC countries, along with an extensive network across India, we offer services to 19,800 pincodes, covering 735 out of 739 districts in India, operating in more than 1,900+ scheduled routes. Our integrated multi-modal transportation network comprising air and road helps to ensure timely deliveries across the length and breadth of the country. Gati's pan-India warehousing facilities also play a crucial role in offering customized Supply Chain Solutions to customers across verticals. Our comprehensive portfolio also includes transportation solutions (M-VATS), E-commerce, Trade Inventory Management, Freight Forwarding and Cold Chain Solutions.

Fleet:
1500

Trucks:
5000+

Pincodes serviced:
19,800

Operating Centers:
600+

Access to a global network of over **300** offices in more than **160** countries as an Allcargo Company



Message from the Chairman

Dear Shareholders,

I am very happy to share with you our company's performance highlights for the financial year FY2019-20.

The past year has indeed changed the way businesses function. As the world transcends this phase; it calls for rethinking with renewed emphasis on Technology, Innovation and Sustainability. With the global economy now showing signs of recovery and with governments initiating interventions for trade revival and growth, the future is poised for striding ahead with optimism and hope.

I am proud that our company stood resilient and has delivered another year of strong business performance.

Exploring possibilities through collaboration

With the conclusion of the strategic acquisition by Allcargo Logistics - India's largest integrated logistics services provider and the global LCL consolidation leader - Gati is now an Allcargo Company.

Allcargo's glorious legacy of over two decades, culture of conducting business professionally and adhering to the highest standards of corporate governance, resonate well with Gati's business values.

As an Allcargo Company, Gati can now offer its customers the opportunity to explore Allcargo's services like NVOCC, Container Freight Stations and Inland Container Depots, Project Logistics, and Contract Logistics to tap into the strengths of Allcargo's global

network that operates through more than 300 offices in over 160 countries.

Gati's extensive domestic reach into more than 19,800 PIN Codes and 735 out of 739 districts along with excellence in express distribution and first & last mile logistics combined with Allcargo's worldwide presence and expertise in diverse logistics verticals, enable us to offer truly end-to-end logistics services to customers in India and across the world.

Our company's warehousing, supply chain management and cold-chain distribution businesses are perfectly complemented by Allcargo's contract logistics solutions and there is great scope to join forces to offer customers an enhanced range and scope of services.

What remain as prerequisites to the success of this collaboration are closer interactions within the teams, getting the Gati and Allcargo teams to align to a common culture and values. We also need a futuristic approach to adapting digital tools and technology, agility, restructuring business processes and operations. While doing all of this we are making sure that customers and their business needs continue to be at the centre of all that we do.

Renewed leadership and futuristic transformation

Post the strategic acquisition by Allcargo, significant efforts are being directed towards restructuring key aspects of the business, and streamlining operations for enhancing performance. External turnaround consultants have been engaged to manage this organisation-wide transformation in a professional, effective, result-oriented manner.

Project Avvashya, our transformation project aspires to 'Redefine Gati' by channelizing team spirit to increase growth and efficiency, and thereby to optimise our sales, operations and processes.

All these efforts are expected to help our company consolidate its position as India's premier express distribution company and grow into a digitally-enabled, customer-focused, futuristic organisation that will set new performance benchmarks with its asset-light business model.

Business performance

The Total Revenue for FY2019-20 stood at INR 1711.67 crores as compared to INR 1863.19 crores in FY2018-19.

The slowdown in the Indian economy due to the COVID-19 pandemic and lockdowns led to challenges like fluctuations in demand, shutdowns in factories, transport and labour issues, etc. However, with the ease of restrictions now, businesses including ours are gradually opening up and are on the path towards recovery.

The Government of India has announced several policy initiatives which have been helpful towards improving the overall economy and industry in particular. These initiatives include GST (and E-way Bill), 'Make in India', giving logistics an infrastructure status and most recently the Government's call to build 'Aatmanirbhar Bharat' or self-reliant India. All these initiatives indicate promising growth for the logistics sector. Further, the Government has introduced a PLI scheme (production-linked incentives) that would help to lay more emphasis on domestic production. The Government's intention is to incentivize various sectors such as pharmaceuticals, medical devices, electronics, mobile phone manufacturing and electronic component units to name a few.

As these sectors pick-up, there will be a consequent demand and opportunities for logistics services. Our company is well-positioned to leverage these opportunities with its wide scope of services along with an extensive domestic and global network. The thrust towards the pharmaceutical sector is of particular significance to Gati Kausar, our cold chain solutions business that has the capabilities to offer specialised solutions for pharmaceutical logistics amongst various other sectors.

It is expected that the current challenging times will open up avenues for new business potential in India. A substantial rise in the e-commerce segment, which seems to be one of the key trends observed during the pandemic, is leading businesses to relook at their logistics footprint. An increase in the demand for essential goods, the need for social distancing which is moving consumers towards buying online and the emergence of new delivery models like kerbside pick-ups, floating carts, etc. are driving growth in the e-commerce sector.

What remain as prerequisites to the success of this collaboration are closer interactions within the teams, getting the Gati and Allcargo teams to align to a common culture and values.

Being one of India's premier express distribution companies with our expertise in supply chain management, first and last mile deliveries, and well-designed as well as optimally-functioning hub-and-spoke model, digitalisation and technology; we can look at leveraging multiple opportunities arising from the growth in e-commerce.

The way ahead for businesses seems likely to be a decentralised in approach. This can offer greater flexibility and strike the right balance between proximity to industry clusters as well as consumption centres. We can establish effective partnerships with marquee customers for our warehousing solutions along with numerous value-added services like inventory optimization, risk management and contingencies strategies, sales and operations planning.

Our company's major strength is our wide range of services that include express distribution (Surface and Air), warehousing solutions, e-commerce logistics, cross border commerce, and cold chain (Gati Kausar). As a result, we can customise and deploy the right solutions at the right touch points in the supply chain based upon our customers' requirements.

This transition from being a premier express logistics company towards becoming a logistics powerhouse has been accentuated by continuous system changes, regular people training and upskilling, operations enhancements and customer education.

Our vast network has grown and we have expanded connectivity. In collaboration with over 4000 business partners/associates, we operate India's largest fleet of more than 5000 vehicles. In light of increasing customer demands and expectations, we continue to increase routes, reduce transit times, and expand our warehousing footprint.

During the current COVID-19 crisis, our company stepped up and managed operations effectively and also took various steps to ensure the safety of staff members, drivers, handlers, customers and all stakeholders. The senior management and the EDC/ Zonal teams, with support from our team members led this effort to keep business going. To mitigate the impact of the pandemic and the lockdown; various steps were undertaken by us such as tracking employees to ascertain their safety, providing food and shelter to staff, handlers and drivers, tracking and helping truck drivers who were stuck in far-flung areas due to the lockdown, being in constant touch with customers for their requirements and supporting them with safe and hygienic delivery of essential goods.

Focus on technology, people and processes

Our company is focused on process automation and improvement of procedures to ensure timely delivery of shipments. We have been significantly investing in a robust IT infrastructure, which remains the backbone of our processes, to continuously upgrade systems and implement innovative processes to further improve operational efficiency.

We focus on education, environmental sustainability, community development and rural development initiatives to empower and enrich lives.

Given the nature of the logistics industry, human resources play a vital role in the growth and success. Our company strives to enhance the competence and skills of its employees through various training and development initiatives, implemented across the organisation.

We believe in adhering to the highest standards of corporate governance and have implemented a robust system of internal controls, documented policy guidelines, well-defined organisation structure and predefined delegation of authority covering all corporate functions and operating units. These help us protect the company's assets from unauthorised use or losses, the reliability of financial controls, and compliance with applicable laws and regulations.

Care and concern for the society

Our company, rooted in strong values of contributing our bit and giving back to society, has Corporate Social Responsibility (CSR) ingrained in its culture. We are always looking for opportunities to make a positive difference and change lives for the better.

We believe that our business success belongs not only to us, but also to the people and communities amidst which the business operates, prospers and thrives.

We focus on education, environmental sustainability, community development and rural development initiatives to empower and enrich lives.

In recent times when the COVID-19 outbreak wreaked havoc, our company took on the mantle to contribute to COVID-19 relief in various ways. In addition to providing free food and essential goods at various places to help the local community, we also provided food and shelter to more than 3000 staff members, handlers and drivers during the course of the lockdown.

Looking ahead

As the economy gradually recovers, there is reason to look ahead with hope and optimism. In the new normal, businesses are de-risking by relocating manufacturing and diversifying their supply chains. This is likely to open up new business possibilities in India, especially in the areas of warehousing and e-commerce. Changing patterns in consumer behaviour characterised by a shift towards online shopping and increased demand for deliveries of essential and nonessential commodities would bolster this trend further.

Our company is adequately equipped to deliver exceptional operational efficiency and meet increasingly high standards of customer service and experience.

Our company has also aligned its activities to fulfil its objective of delivering 1 million packages per day. Besides, the strategic acquisition by Allcargo Logistics provides us the much needed impetus to grow and explore opportunities in the international market.

Moving forward, our focus remains on improving customer experience and leveraging our strong network to achieve operational excellence while creating avenues to sustain long-term shareholder value. As we steadily steer ahead, I take this opportunity to thank all our stakeholders for their trust, confidence and faith in the company's management.

I would also like to extend my gratitude to the Gati Board for its guidance and support, enabling us to take the company towards next-level growth and success.

Regards,



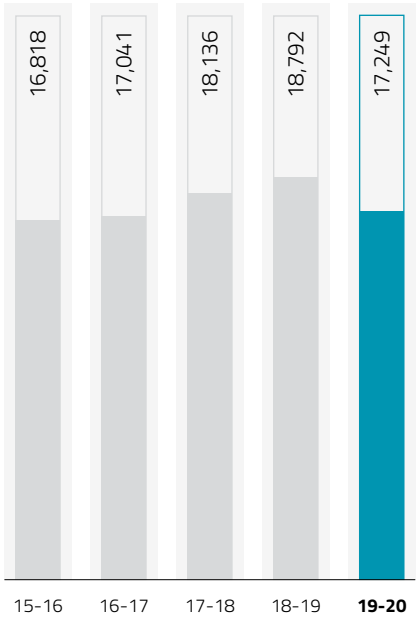
Shashi Kiran Shetty
Chairman



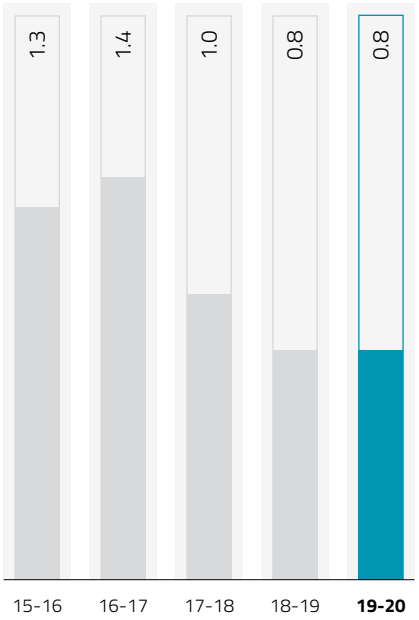
Financial Metrics

(Consolidated)

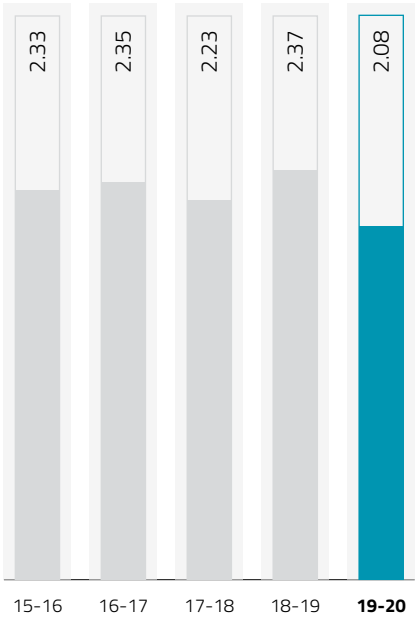
Total Income
(₹ in million)



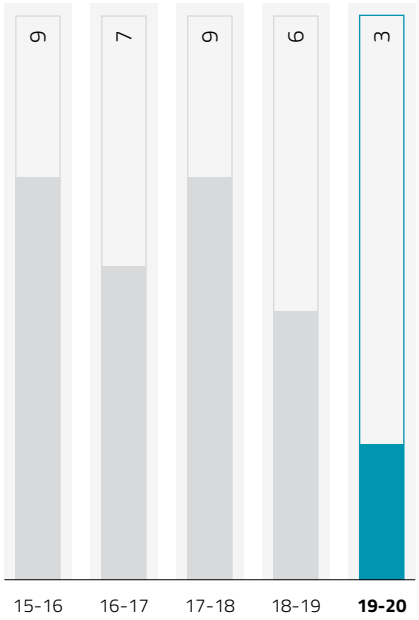
Current Ratio
(in times)



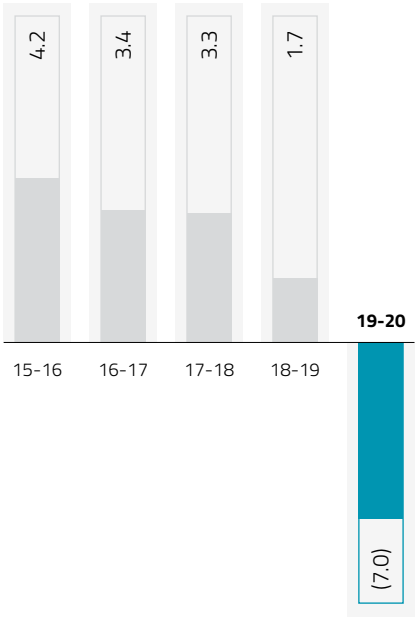
Turnover on Capital Employed
(₹ in million)



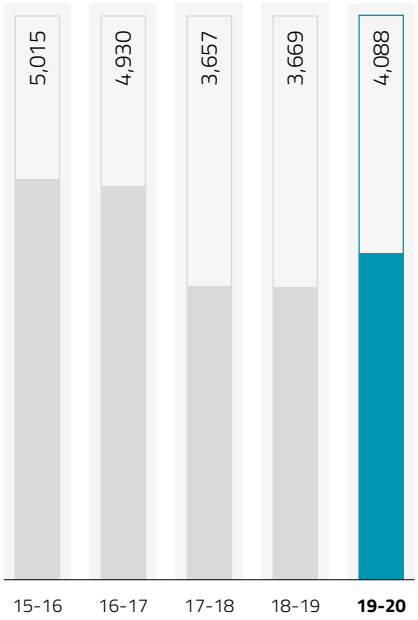
EBITDA
(%)



EPS
(₹)



Debt
(₹ in million)



Board of Directors



Shashi Kiran Shetty
Chairman & Managing Director
(Appointed w.e.f. February 04, 2020)*



Mahendra Agarwal
Founder & CEO
(Resigned w.e.f. September 28, 2020)



K L Chugh
Chairman & Independent Director
(Resigned w.e.f. July 24, 2020)



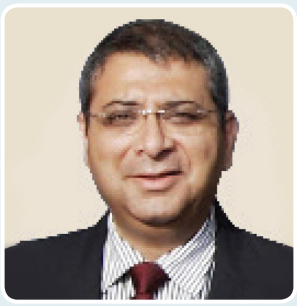
N Srinivasan
Independent Director



P N Shukla
Independent Director



Yasuhiro Kaneda
Nominee Director



Kaiwan Kalyaniwalla
Non-Executive &
Non-Independent Director
(Appointed w.e.f. February 04, 2020)



Cynthia Dsouza
Independent Director
(Appointed w.e.f. July 03, 2020)



Mohinder Pal Bansal
Independent Director
(Appointed w.e.f. July 03, 2020)



Dinesh Kumar Lal
Independent Director
(Appointed w.e.f. July 03, 2020)



Dr. P Sudhkar Reddy
Independent Director
(Resigned w.e.f. July 08, 2020)



Savita Date Menon
Independent Director
(Resigned w.e.f. October 12, 2020)

For additional details
scan the QR Code

* Mr. Shashi Kiran Shetty was appointed as an Additional Director on the Board of the Company w.e.f. February 04, 2020. Further, he was also appointed as the Chairman of the Board and Managing Director of the Company w.e.f. July 24, 2020 and November 04, 2020 respectively.



India's leading end-to-end logistics solutions

Express Logistics

Air Freight

Cold Chain Solutions

E-Commerce Solutions

Warehousing Solutions

Our end-to-end logistics solutions are designed to offer multi-modal services across road and air to over 99% of the country's districts. And with over 500 pick-up points across India backed by our commitment to technology, Gati is today a preferred partner for end-to-end logistics across India owing to the reach, speed, convenience and reliability it offers its customers.

Truly end-to-end services with road and air movement, warehousing, and supply chain management

Dedicated call centers with 24x7 support

Experience across industries

Workforce of over 4500* experienced professionals

*As of June 2020



Express Distribution

Gati-KWE's Express Distribution brings you its multi-modal deliveries that cover over 99% of the country's districts. You can choose and customize distribution services based on your needs. Whether you need to move parcels, freight or special cargo, our cost-effective and time-sensitive services have you covered.

Express Plus

A unique service that offers faster delivery compared to any average surface movement services. With direct route connectivity to major locations across India, you save on time and ensure safety for your shipments.

Express

A cost-effective surface cargo movement for shipments that have a time-definite delivery schedule.

Premium Plus

Specially designed service that promises delivery within 12 hours or before noon the next day, across all major ports in India.

Premium

A cost-effective service that assures delivery within 24 hours, 48 hours and more than 48 hours through our multi-modal network across metros and non-metros in India.

The Gati Express Distribution Advantage

- Customised end-to-end logistics solutions
- Unparalleled reach to over 99% of India's districts
- Experience across industries
- Quick and trusted claim process
- Over 5000 trucks and rail services
- Over 600 offices
- Reverse logistics expertise
- Guaranteed on-time deliveries



Supply Chain Management Solutions

Shop floor automation	World-class material handling
Sophisticated racking system and conveyor belts	Technology-enabled warehouses

Our supply chain management solutions feature over 65 warehouses across the country, including 3 e-fulfilment centers that cater to sectors like e-Commerce, Hospitality, Healthcare and Electronics, among others. With each warehouse designed and built to meet global standards, our dedicated team of experts is backed by the latest in tools, technologies and processes designed for your advantage.

The Gati Supply Chain Management Solutions Advantage

- Best-in-class Warehouse Management System
- Integrated warehousing and distribution
- Option of order and inventory-based models
- Inventory and purchase order management
- Customised solutions for multiple industries



E-Commerce Logistics

Gati E-Connect, our dedicated e-Commerce Logistics vertical is India's first integrated e-Commerce logistics solutions provider. Backed by our Express Distribution, Gati E-Connect can reach over 99% of India's districts to offer you seamless last-mile delivery solutions. Whether you serve enterprises or individuals, we have all your e-Commerce logistics needs covered.

The Gati e-Commerce Logistics Advantage

- Value-added services like COD, card payments and more
- Return to origin and Return to vendor services
- Order consolidation and one-ship services
- API-enabled real-time tracking and updates
- Fulfilment centers - Shared and dedicated
- Unparalleled reach to over 19,800 PIN Codes
- 24x7 support



Air Freight

Air Freight with a commitment of safety and reliability - Gati Air brings a dedicated air freight service built on over 30 years of logistics and supply chain experience, and a commitment to moving your cargo across India's metros and non-metro cities alike. Our experience combined with our network and tie up with IndiGo Airlines, India's largest airline gives us an edge when it comes to safely and efficiently moving your cargo across India.

The Gati Air Advantage

- Tie up with IndiGo
- Movement to urban and semi-urban cities
- Expertise in moving cargo weighing more than 5kg
- Cost-effective solutions
- Guaranteed on-time delivery



Cold Chain Solutions

Gati Kausar, our dedicated cold chain team is India's longest established cold chain service provider, with over 30 years of experience in cold chain distribution, offering temperature-sensitive shipments for consumer foods, pharmaceuticals, retail and agricultural goods. Our promise of 'Zero missed deliveries' is backed by our fleet of over 200 refrigerated vehicles, ensuring the safe and timely delivery of your perishable goods across India.

The Gati Cold Chain Solutions Advantage

- Integrated customised cold chain solutions
- Warehouse to location deliveries within 24 hrs
- Stringent adherence to ISO 22000 standards
- Real-time temperature monitoring and alerts
- Isolated pharma zones and restaurant inventory management
- In-city vehicles for faster deliveries

Special Services



Premium Flexilite
Air shipments for cargo up to 5 kg



Laabh
Surface deliveries of cargo weighing up to 20 kg



Desk-to-desk Cargo
Surface deliveries for cargo up to 5 kg



Art Express
Special services for moving your priceless art pieces



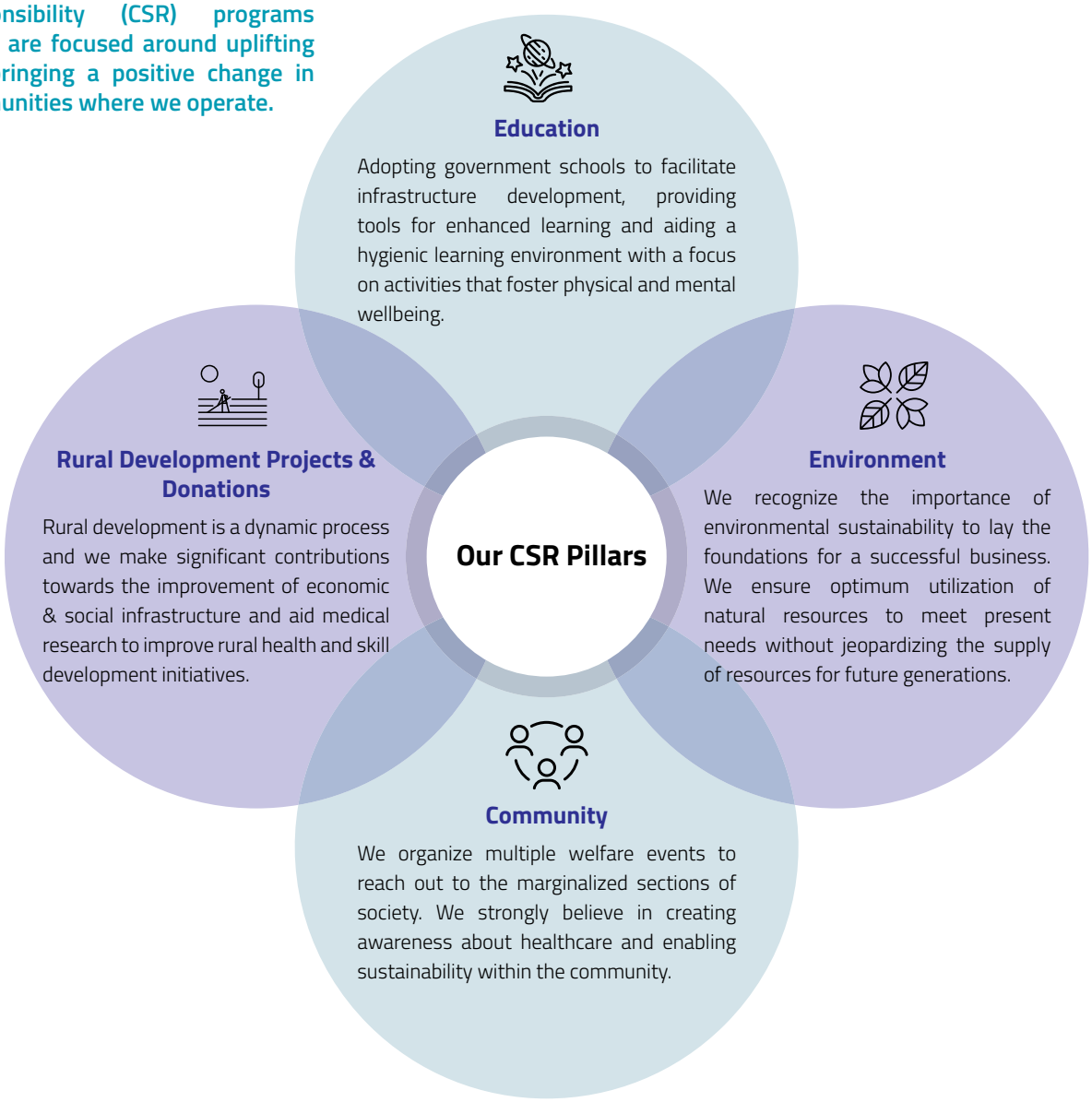
Student Express
Special services with special discounts for students



Bike Express
Dedicated services to move your bikes

Our Approach towards Sustainability

We take pride in our Corporate Social Responsibility (CSR) programs which are focused around uplifting and bringing a positive change in communities where we operate.



Education

Adopting government schools to facilitate infrastructure development, providing tools for enhanced learning and aiding a hygienic learning environment with a focus on activities that foster physical and mental wellbeing.

Rural Development Projects & Donations

Rural development is a dynamic process and we make significant contributions towards the improvement of economic & social infrastructure and aid medical research to improve rural health and skill development initiatives.

Environment

We recognize the importance of environmental sustainability to lay the foundations for a successful business. We ensure optimum utilization of natural resources to meet present needs without jeopardizing the supply of resources for future generations.

Community

We organize multiple welfare events to reach out to the marginalized sections of society. We strongly believe in creating awareness about healthcare and enabling sustainability within the community.

Our business is built on the foundation of sustained value creation for our stakeholders. As a result, we believe, it is not sufficient to concentrate solely on the bottom line. Instead, we recognize the importance of building and sustaining long-term reciprocal relationships with all our stakeholders. To maximize value creation for every strata of society, our CSR activities are modeled around education, skill development, environment and disaster management during natural calamities.

Gati's CSR vision

We envision a community of responsible and educated citizens who are environmentally conscious and practice social responsibility in their daily lives to inspire others to do the same. We work towards operating in an economically, socially and environmentally responsible manner whilst balancing the interests of diverse stakeholders.

Gati Corporate Social Responsibility has always been at the forefront of worthy social causes, with the desire to serve society and fellow-beings integrated into its DNA. We came forward to shoulder the responsibility and jointly take up the fight against COVID-19. In order to work for this cause, on 11th April 2020, Gati's team organised distribution of 200 kits (with 15 grocery items each), which could serve a family of four for one week, to migrant labourers and the needy from Uttar Pradesh, Bihar, Orissa, Jharkhand, Andhra Pradesh and Telangana, who had lost their daily earnings due to the lockdown. The Telangana Cyberabad Police supported the team and the beneficiaries during the distribution. The logistics support was provided by EDC HYDN.







The company also sponsored a disinfection and sanitization drive for the vehicular fleet of the police of the Rachakonda Commissionerate. Disinfecting and sanitizing the police vehicles is of paramount importance in the current circumstances caused due to COVID-19 as the police force is one of the few groups, alongside healthcare and essential workers, who are deployed at the frontlines and are at high risk of infection. By keeping the police vehicles disinfected, the chances of their vulnerability for infection can be reduced, hence, great emphasis has been put on this matter. The drive happened over the course of 3 days, from 30th June to 2nd July 2020, where 436 four-wheelers and 500 two-wheelers of the police fleet were meticulously sanitized, using latest technology where no harmful chemicals were used, by the skilled personnel of Craft Detailing Services, who were associated with us for this event. The aim of this drive was to ensure safety and security of our frontline warriors as they fight against the COVID-19 pandemic.







NOTICE

NOTICE is hereby given that the 25th (Twenty Fifth) Annual General Meeting of the Members of Gati Limited (CIN: L63011TG1995PLC020121) will be held on Monday, December 28, 2020 at 3.00 PM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purpose the Registered office of the Company situated at Plot No. 20, Survey No. 12, Kothaguda, Kondapur, Hyderabad, Telangana – 500084 shall be deemed as the venue for the Meeting and the proceedings of the Annual General Meeting shall be deemed to be made thereat, to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2020 and the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2020 and the Report of the Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the audited consolidated financial statements of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

3. To appoint a Director in place of Mr. Yasuhiro Kaneda (**DIN: 07619127**), who retires by rotation and, being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s) pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Yasuhiro Kaneda (DIN: 07619127), who retires by rotation at this meeting be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

Special Business:

4. **Appointment of Branch Auditor**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made thereunder, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Board of Directors be and is hereby authorized to appoint Branch Auditor(s) for any branch office of the Company for the financial year 2020-21, whether existing or which may be opened / acquired hereafter, outside India, in consultation with the Company's Auditors, any person(s) qualified to act as Branch Auditors within the provisions of Section 143(8) of the Act and to fix their remuneration."

5. **Appointment of Mr. Shashi Kiran Shetty (DIN: 00012754) as Director of the Company**

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions if any, of the Companies Act, 2013 ("the Act") and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Shashi Kiran Shetty (DIN- 00012754) who was appointed as an Additional Director of the Company in terms of Section 161 of the Act by the Board of Directors on the recommendation of the Nomination and Remuneration Committee with effect from February 04, 2020 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company whose period of office is liable to determination by retirement of Directors by rotation.

   RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

6. **Appointment of Mr. Kaiwan Kalyaniwalla (DIN: 00060776) as Director of the Company:**

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions if any, of the Companies Act, 2013 (the Act) and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s)

or re-enactment thereof for the time being in force) Mr. Kaiwan Kalyaniwalla (DIN - 00060776) who was appointed as an Additional Director of the Company in terms of Section 161 of the Act by the Board of Directors on the recommendation of Nomination and Remuneration Committee with effect from February 04, 2020 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company whose period of office is liable to determination by retirement of Directors by rotation.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

7. Appointment of Ms. Cynthia D'Souza (DIN: 00420046) as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Ms Cynthia Dsouza (DIN: 00420046), who was appointed as an Additional Director of the Company with effect from July 03, 2020 under Section 161 of the Act and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 years commencing from July 03, 2020."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

8. Appointment of Mr. Mohinder Pal Bansal (DIN: 01626343) as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Mr. Mohinder Pal Bansal (DIN: 01626343), who was appointed as an Additional Director of the Company with effect from July 03, 2020 under Section 161 of the Act and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 years commencing from July 03, 2020."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

9. Appointment of Mr. Dinesh Kumar Lal (DIN: 00037142) as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Mr. Dinesh Lal (DIN: 00037142), who was appointed as an Additional Director of the Company with effect from July 03, 2020 under Section 161 of the Act and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 years commencing from July 03, 2020."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

10. Appointment of Mr. Shashi Kiran Shetty (DIN: 00012754) as a Managing Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (the "Listing Regulations"), and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded for the appointment of Mr. Shashi Kiran Shetty (DIN: 00012754), as the Managing Director of the Company, for a period of 5 (five) years with effect from November 04, 2020, on the remuneration and the terms and conditions, as set out below and as per the letter of appointment to be issued by the Company to Mr. Shashi Kiran Shetty, subject to the same not exceeding the limits specified in Schedule V of the Act or any amendment thereto."

Proposed Terms & Conditions and Remuneration:

(i) Tenure:

The appointment shall be for a period of 5 years commencing from November 04, 2020 subject to the provisions of the Listing Regulations and the Act as may be amended both from time to time.

(ii) Duties and Responsibilities:

Subject to the superintendence, control and overall direction of the Board of Directors of the Company, the Managing Director shall have the power for general conduct and management of the whole of business and affairs of the Company, except in the matter which may be specifically required to be done by the Board either as per the provisions of the Act or by the Articles of Association of the Company and the Managing Director shall also exercise and perform such powers and duties as the Board of Directors of the Company (hereinafter called as "the Board") may from time to time determine and shall also do and perform all other acts and things which in the ordinary course of business he may consider necessary or proper or in the interest of the Company.

(iii) Salary:

Mr. Shashi Kiran Shetty will draw no remuneration from the Company. However as he is also the Chairman & Managing Director of Allcargo Logistics Limited (Holding Company), he will draw remuneration from the Holding Company.

(iv) Perquisites:

Mr. Shashi Kiran Shetty will not avail any perquisites from the Company as he shall avail the same from the Holding Company.

(v) Commission:

Based on the Net profits of the Company computed in the manner laid down in Section 198 of the Act, and subject to the overall ceiling limits as prescribed under Section 197 & 198 and other applicable provisions of the Act read with Schedule V of the Act, Mr. Shashi Kiran Shetty may draw commission from the Company.

(vi) Other terms and conditions:

a) The Managing Director as long as he holds the said position shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

b) Mr. Shashi Kiran Shetty shall, while he continues to hold office of the Managing Director, be subject to retirement by rotation and he shall be reckoned as a Director for the purpose of determining the directors liable to retire by rotation and such retirement and re-appointment shall, unless he is not re-appointed as a director, not constitute a break in his engagement as Managing Director during the tenure of his term and subsequent renewals thereof. Mr. Shashi Kiran Shetty shall not ipso facto cease to be a Director, if he ceases to hold office of Managing Director for any cause.

c) Notice Period shall be six months by either himself or by the Company.

d) Mr. Shashi Kiran Shetty can be appointed as Director or Managing Director or Whole-Time Director on the Board of other Companies including subsidiaries in accordance with the provisions of the applicable laws in India.

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

11. Reclassification of Authorised Share Capital and Consequent Alteration of Memorandum of Association.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 13, 61 and 64 of Companies Act, 2013 (hereinafter referred as the "Companies Act") read with Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, and the provisions of the Memorandum of Association and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to re-classify and increase the Authorized Share Capital of the Company as below:

i) The existing Authorized Share Capital of the Company i.e., Rs. 30,00,00,000/- (Rupees Thirty Crores) comprising of 12,50,00,000 (Twelve Crores Fifty Lakhs) equity shares

of face value of Rs. 2/- each and 5,00,000 (Five Lakhs) Redeemable Preference Shares of Rs. 100/- each, be and is hereby re-classified to Rs. 30,00,00,000/-(Rupees Thirty Crores) comprising of 15,00,00,000 (Fifteen Crores) equity shares of face value of Rs. 2/- each, after cancelling the existing unissued Redeemable Preference share capital comprising of 5,00,000 (Five Lakhs) Redeemable Preference Shares of Rs. 100/- each.

ii) The existing Authorised Share Capital of the Company be and is hereby increased by Rs.5,00,00,000/- (Rupees Five Crores) i.e., from Rs. 30,00,00,000/-(Rupees Thirty Crores) to Rs. 35,00,00,000 (Rupees Thirty Five Crores) comprising of 17,50,00,000 (Seventeen Crores Fifty Lakhs) equity shares of face value of Rs. 2/- each.

RESOLVED FURTHER THAT pursuant to Section 13, 61 and 64 and all other applicable provisions, if any, of the Companies Act, 2013 and subject to the approval from the shareholders of the Company, consent of the Board of Directors be and is hereby accorded to substitute the existing clause V of the Memorandum of Association of the Company with the following new Clause V:

"The Authorized Share Capital of the Company is Rs. 35,00,00,000 (Rupees Thirty Five Crores) divided into 17,50,00,000 (Seventeen Crores Fifty lakhs) Equity Shares of Rs. 2/- (Rupees Two Only) each."

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, any one of the Directors, Chief Financial Officer and Company Secretary of the Company be and is hereby authorized severally to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient and to sign, execute and submit all the requisite documents with the appropriate authority including filing of requisite documents with the Registrar of Companies."

"RESOLVED FURTHER THAT all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter(s) referred or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

12. Alteration of Articles of Association of the Company.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof) ("the Act") and subject to other permissions and approvals, if any, as may be required, the Articles of Association of the Company be and is hereby amended by way of addition of following Articles :

Article 89 A

(i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or rendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Article 110 A

The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may deem fit with respect to keeping of any such register.

Article 112 (iii)

Subject to the Provisions of the Act, an individual being the Chairperson of the Company may also hold the position of Managing Director / equivalent position of the Company at the same time.

"RESOLVED FURTHER THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof) ("the Act") and subject to other permissions and approvals, if any, as may be required, the Articles of Association of the Company be and is hereby amended by way of omission of following Articles :

Article 83

A member paying the whole or a part of the amount remaining unpaid on any shares held by him although no part of that amount has been called up shall not be entitled to voting rights in respect of the moneys so paid by him.

Article 89

Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Article 92

On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the vote he uses.

Article 116(iii)

The quorum of any of the committees so constituted by the Board may be any two members of the Committee.

Article 123(ii)

The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two Directors and of the Secretary of such other

person as the Board may appoint for the purpose; and those two Directors and the Secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

Article 128

Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not whilst carrying interest confer a right to dividend or to participate in profits.

"RESOLVED FURTHER THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof) ("the Act") and subject to other permissions and approvals, if any, as may be required, the Articles of Association of the Company be and is hereby amended by way of substitution of following Articles:

Article 102

Notwithstanding anything to the contrary contained in these regulations , so long as any moneys remain owing by the Company to the Bank(s), Financial Institution(s), Body Corporate(s) and Insurance Company(ies) or a State Government or State Government themselves (each of the above is hereinafter in this Article referred to as "The Corporation") out of any loans, debentures and assistance granted by them to the Company or so long as the Corporation hold or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placements, any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, (which Director/Directors, is/are hereinafter referred to as 'Nominee Director/s') on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the Nominee Directors at the option of the Corporation. Such Nominee Director/s shall not be required to hold any qualification share in the company. Also at the option of the Corporation such Nominee Director/ s shall not be liable to retire by rotation. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation hold or continues to hold debentures / shares in the Company as a result of under writing or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Directors so appointed in exercise of the said power shall ipso facto vacate such office immediately after the moneys owing by the Company to the Corporation are paid off or the Corporation ceasing to hold Debenture/shares in the company or on the satisfaction of liability of the Company arising out of guarantee furnished by the Corporation.

The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other directors of the company are entitled, but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the same need not be paid by the company to the Corporation or Director/s. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment of Directorship, such expenses shall also be paid or reimbursed by the Company to the Corporation or as the case may be, to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Corporation, the sittings fees in relation to such Nominee Director/s shall also accrue to the Corporation or as the case may be, to such Nominee Director/s,

Provided also that in the events of the Nominee Director/s being appointed as Whole-time Director/ s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights which are usually exercised or available to a whole time Director in the management of the affairs of the Company.

Article 103

Subject to the Provisions of the Act, not less than two-thirds of the total number of Directors other than Independent Directors shall be liable to retire by rotation as per the provisions of the Act, and rules made there under, from time to time.

Article 107(ii)

The remuneration payable to the Directors, including any Managing or Whole-time Director or Manager, if any, shall be paid as per the provisions of the Act.

Article 140

The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution."

13. Approval of request received from Mr. Mahendra Kumar Agarwal, Promoter for reclassification from "Promoter" category to "Public" category.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), and subject to approval from the BSE Limited, National Stock Exchange of India Limited (herein after referred to as stock exchanges), the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the members be and is hereby accorded to reclassify the following applicant from "Promoter" category to "Public" category:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Mr. Mahendra Kumar Agarwal	15,74,935	1.29
Total	**15,74,935**	**1.29**

RESOLVED FURTHER THAT in supersession of any provision, the applicant's special rights, if any, with respect to the Company through formal or informal arrangements including through any shareholders agreements, if any, stand withdrawn/terminated and be null and void, with immediate effect.

RESOLVED FURTHER THAT the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Listing Regulations have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of Listing Regulations post reclassification from "Promoter" to "Public".

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of Listing Regulations and in compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT the Directors and the Chief Financial Officer and the Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited, the National Stock Exchange of India Limited (as applicable), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions".

14. Approval of request received from TCI Finance Limited, Persons belonging to the Promoter Group for reclassification from "Promoter Group" category to "Public" category.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), and subject to approval from the BSE Limited, National Stock Exchange of India Limited (herein after referred to as stock exchanges), the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the members be and is hereby accorded to reclassify the following applicant from "Promoter Group" category to "Public" category:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
TCI Finance Limited	10,03,250	0.82
Total	**10,03,250**	**0.82**

RESOLVED FURTHER THAT in supersession of any provision, the applicant's special rights, if any, with respect to the Company through formal or informal arrangements including through any shareholders agreements, if any, stand withdrawn/terminated and be null and void, with immediate effect.

RESOLVED FURTHER THAT the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Listing Regulations have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of Listing Regulations post reclassification from "Promoter" to "Public".

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of Listing Regulations and in compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT the Directors and the Chief Financial Officer and the Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited, the National Stock Exchange of India Limited (as

applicable), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions".

15. Approval of request received from Mahendra Investment Advisors Private Limited, Persons belonging to the Promoter Group for reclassification from "Promoter Group" category to "Public" category.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), and subject to approval from the BSE Limited, National Stock Exchange of India Limited (herein after referred to as stock exchanges), the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the members be and is hereby accorded to reclassify the following applicant from "Promoter Group" category to "Public" category:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Mahendra Investment Advisors Private Limited	1,51,577	0.12
Total	**1,51,577**	**0.12**

RESOLVED FURTHER THAT in supersession of any provision, the applicant's special rights, if any, with respect to the Company through formal or informal arrangements including through any shareholders agreements, if any, stand withdrawn/terminated and be null and void, with immediate effect.

RESOLVED FURTHER THAT the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Listing Regulations have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of Listing Regulations post reclassification from "Promoter" to "Public".

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of Listing Regulations and in compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT the Directors and the Chief Financial Officer and the Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited, the National Stock Exchange of India Limited (as applicable), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions".

16. Approval of request received from Mahendra Kumar Agarwal & Sons HUF, Persons belonging to the Promoter Group for reclassification from "Promoter Group" category to "Public" category.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), and subject to approval from the BSE Limited, National Stock Exchange of India Limited (herein after referred to as stock exchanges), the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the members be and is hereby accorded to reclassify the following applicant from "Promoter Group" category to "Public" category:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Mahendra Kumar Agarwal & Sons HUF	5,46,083	0.45
Total	**5,46,083**	**0.45**

RESOLVED FURTHER THAT in supersession of any provision, the applicant's special rights, if any, with respect to the Company through formal or informal arrangements including through any shareholders agreements, if any, stand withdrawn/terminated and be null and void, with immediate effect.

RESOLVED FURTHER THAT the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Listing Regulations have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of Listing Regulations post reclassification from "Promoter" to "Public".

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such

reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of Listing Regulations and in compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT the Directors and the Chief Financial Officer and the Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited, the National Stock Exchange of India Limited (as applicable), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions".

17. Approval of request received from Bunny Investments & Finance Private Limited, Persons belonging to the Promoter Group for reclassification from "Promoter Group" category to "Public" category.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), and subject to approval from the BSE Limited, National Stock Exchange of India Limited (herein after referred to as stock exchanges), the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the members be and is hereby accorded to reclassify the following applicant from "Promoter Group" category to "Public" category:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Bunny Investments & Finance Private Limited	2,73,126	0.22
Total	**2,73,126**	**0.22**

RESOLVED FURTHER THAT in supersession of any provision, the applicant's special rights, if any, with respect to the Company through formal or informal arrangements including through any shareholders agreements, if any, stand withdrawn/terminated and be null and void, with immediate effect.

RESOLVED FURTHER THAT the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Listing Regulations have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of Listing Regulations post reclassification from "Promoter" to "Public".

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of Listing Regulations and in compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT the Directors and the Chief Financial Officer and the Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited, the National Stock Exchange of India Limited (as applicable), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions".

18. Approval of request received from Jubilee Commercial & Trading Private Limited, Persons belonging to the Promoter Group for reclassification from "Promoter Group" category to "Public" category.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), and subject to approval from the BSE Limited, National Stock Exchange of India Limited (herein after referred to as stock exchanges), the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the members be and is hereby accorded to reclassify the following applicant from "Promoter Group" category to "Public" category:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Jubilee Commercial & Trading Private Limited	1,49,823	0.12
Total	**1,49,823**	**0.12**

RESOLVED FURTHER THAT in supersession of any provision, the applicant's special rights, if any, with respect to the Company through formal or informal arrangements including through any shareholders agreements, if any, stand withdrawn/terminated and be null and void, with immediate effect.

RESOLVED FURTHER THAT the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of Listing Regulations have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of Listing Regulations post reclassification from "Promoter" to "Public".

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of Listing Regulations and in compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT the Directors and the Chief Financial Officer and the Company Secretary of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited, the National Stock Exchange of India Limited (as applicable), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions".

By order of the Board of Directors
for **Gati Limited**

T.S. Maharani
(Company Secretary & Compliance Officer)
Membership No: F8069

Place: Hyderabad
Date: November 25, 2020

Registered & Corporate Office:
Plot No.20, Survey No.12,
Kothaguda, Kondapur, Hyderabad- 500 084
Tel: +91 040-7120 4284, Fax: +91 040-2311 2318
CIN: L63011TG1995PLC020121
Website: www.gati.com
Email: investor.services@gati.com

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA"), vide its General Circular No. 20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020 and General Circular No. 17/2020 dated April 13, 2020 (collectively referred to as "MCA Circulars") and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2020. The Registered office of the Company situated at Plot No. 20, Survey No. 12, Kothaguda, Kondapur, Hyderabad, Telangana – 500084 shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be made thereat.

2. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF THE AGM VENUE ARE NOT ANNEXED TO THIS NOTICE.

3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

4. All the Members of the Company including retail individual investors, institutional investors, etc. are encouraged to attend the AGM through VC/OAVM mode and vote electronically. Corporate members intending to appoint their authorised representatives to attend and participate at the AGM, are requested to send to the Company, a certified copy (in PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer at dvmgopal@gmail.com with a copy marked to evoting@nsdl.co.in.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting on first-come first-served basis by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.

6. The Board of Directors have considered and decided to include the Item nos. 4 to 18 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.

7. In compliance with the aforementioned MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depository Participant. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.gati.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of the National Securities Depository Limited ("NSDL") a service provider for voting through remote e-Voting, for participation in the 25th AGM through VC/OAVM facility and e-Voting during the 25th AGM at https://www.evoting.nsdl.com/.

8. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 4 to Item No. 18 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.

Procedure for joining the 25th AGM through VC/OAVM

9. NSDL will be providing facility for voting through remote e-Voting, for participation in the 25th AGM through VC/OAVM facility and e-Voting during the 25th AGM.

10. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by NSDL at https://www.evoting.nsdl.com by using their remote e-voting login credentials and selecting the link available against the EVEN for Company's AGM.

11. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned below in the Notice.

12. Members are encouraged to join the Meeting through Laptops for better experience.

13. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

14. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

15. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/1800-222-990 or contact Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in/022-24994360 or Mr. Sagar Ghosalkar, Assistant Manager- NSDL at sagar.ghosalkar@nsdl.co.in/022-24994553.

16. Members are encouraged to express their views / send their queries in advance mentioning their name demat account number / folio number, email id, mobile number at investor.services@gati.com. Questions / queries received by the Company till 5:00 p.m. on Friday, December 25, 2020 shall only be considered and responded during the AGM.

17. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

18. Procedure for remote e-Voting and e-Voting during the AGM:

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Regulations (as amended), and the MCA Circulars, the Company is providing facility to the Members to cast their vote on the matters set forth in AGM Notice, either by way of "remote e-voting" facility, prior to the AGM or by way of electronic voting system during the AGM. For this purpose, the Company has appointed NSDL for facilitating voting through electronic means, as the authorized agency.

The e-voting facility will be available during the following period:

Commencement of e-voting: From 9.00 a.m. (IST) on Wednesday, December 23, 2020.

End of e-voting: Up to 5.00 p.m. (IST) on Sunday, December 27, 2020.

Instructions:

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

I. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

II. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

III. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

IV. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

V. Your password details are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your email ID is not registered, please follow steps mentioned below-

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to (investor.services@gati.com).

- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (investor.services@gati.com).

- Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned above.

VI. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

VII. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

VIII. Now, you will have to click on "Login" button.

IX. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-Voting, shall be eligible to vote through e-Voting system during the AGM.

19. General Guidelines for shareholders:

(a) The company has appointed M/s. DVM & Associates LLP, Company Secretaries, Hyderabad, as Scrutinizer for conducting the e-voting process and voting process at the time of the meeting in a fair and transparent manner.

(b) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Monday, December 21, 2020. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, only shall be entitled to vote. A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.

(c) The login ID and password for e-voting is being sent to the members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting by e-mail.

(d) The facility for voting the Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cut-off date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

(e) Any person who become members of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. Monday, December 21, 2020, may obtain the User ID and password for e-voting by sending email intimating DP ID and Client ID / Folio No. at evoting@nsdl.co.in with a copy to investor.services@gati.com. However, if you are already registered with NSDL for e-voting, you can use your existing User ID and password for casting your vote.

The Register of members and share transfer books of the Company will remain closed from Tuesday, December 22, 2020 to Monday, December 28, 2020 (both days inclusive) for the purpose of AGM.

(f) The Scrutinizer, after scrutinising the votes cast at the time of the meeting and through e-voting, will, within stipulated time, make a consolidated scrutinizer's report and submit the same to the Chairman not later than 48 hours from the conclusion of the AGM. The results declared along with

the consolidated scrutinizer's report shall be placed on the website of the Company i.e. www.gati.com and on the website of NSDL i.e. https://www.evoting.nsdl.com/. The results shall simultaneously be communicated to the Stock Exchanges.

(g) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Monday, December 28, 2020.

(h) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

(i) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Mr. Amit Vishal, Senior Manager – NSDL at evoting@nsdl.co.in.

(j) Members whose shareholding is in electronic mode are requested to direct notifications about change of address and updates about bank account details to their respective depository participants(s) (DP).

(k) All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at its email ID investor.services@gati.com till the date of AGM.

(l) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and the certificate from Auditors of the Company certifying that the Gati Employee Stock Option Scheme (ESOS) are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. Monday, December 28, 2020. Members seeking to inspect such documents can send an email to investor.services@gati.com.

(m) The members who have not surrendered their old share certificates (Issued by the then Transport Corporation of India Limited, now known as TCI Industries Limited, the transferor Company, under the Scheme of Arrangement) are requested to surrender their old share certificates to TCI Industries Limited, Mukesh Textile Mills Private Limited, N.A. Sawant Marg, Colaba, Mumbai – 400 005 to obtain their new share certificates of four companies including this Company.

(n) Members holding shares in physical mode are:

i. Required to submit their Permanent Account Number (PAN) and bank account details to the Investor Service Department of the Company / Link Intime India Private Limited ("Link Intime"), Registrar and Share Transfer Agent of the Company, if not registered with the Company as mandated by SEBI.

ii. Advised to register the nomination in respect of their shareholding in the Company.

iii. Requested to register / update their e-mail address with the Investor Service Department of the Company / Link Intime for receiving all communications from the Company electronically.

(o) Members holding shares in electronic mode are:

i. Requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.

ii. Advised to contact their respective DPs for registering the nomination.

iii. Requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

(p) Non-Resident Indian members are requested to inform Link Intime / respective DPs, immediately of:

i. Change in their residential status on return to India for permanent settlement.

ii. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

(q) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Link Intime / Investor Service Department of the Company, in case the shares are held by them in physical form.

(r) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Link Intime / Investor Service Department, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

(s) Pursuant to the provisions of the Companies Act, 1956/2013, the Company has transferred the unpaid or unclaimed dividends for the period of seven years i.e. upto financial years 2011-12, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Members who have not encashed their dividend warrant(s) so far for

the financial year ended March 31, 2013 or any subsequent financial years are requested to make their claim to the office of Link Intime, Registrar and Share Transfer Agents or the Nodal Officer of the Company, at the Company's registered office. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the IEPF. Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.

(t) Pursuant to Section 101 and Section 136 of the Act, read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now the same by submitting a duly filled-in 'Shareholder Registration Form' available on the website of the Company i.e. www.gati.com. Alternatively, Members holding shares in physical mode and who have not registered/updated their e-mail addresses with the Company are requested to register/update their email addresses by sending a duly signed request letter to the Company's Registrar and Share Transfer Agent viz. Link Intime by providing Folio No. and Name of the Member or may also send an e-mail to Mrs. T.S. Maharani, Company Secretary at investor.services@gati.com. Members holding shares in demat form are requested to register their email address with their Depository Participant(s) only. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.

(u) The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2011-12, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on September 25, 2019 (date of the previous Annual General Meeting) on the website of the Company and the same can be accessed through the link: https://www.gati.com/investor-relations/unclaimed-dividend-details/. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

(v) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company is under the process of transferring the shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more to the IEPF Authority which are due for transfer during the financial year 2019-20. Details of shares to be transfer to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: https://www.gati.com/investor-relations/unclaimed-dividend-details/.

(w) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: http://www.iepf.gov.in/IEPF/refund.html or contact Link Intime for lodging claim for refund of shares and / or dividend from the IEPF Authority.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item No. 4

The Company has branch outside India (at Nepal) and may also open / acquire new branches outside India in future. It may be necessary to appoint branch auditors for carrying out the audit of the accounts of such branches. The Members are requested to authorize the Board of Directors of the Company to appoint branch auditors in consultation with the Company's Auditors and fix their remuneration.

None of the Directors or Key Managerial Person (KMP) or relatives of Directors and KMP, are in any way concerned with or interested, financially or otherwise, in the resolution at item no. 4 of the accompanying notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Item No. 5

The Board of Directors of the Company has appointed Mr. Shashi Kiran Shetty (DIN: 00012754) as an Additional Director of the Company with effect from February 04, 2020, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company. In terms of the provisions of Section 161(1) of the Act, Mr. Shashi Kiran Shetty would hold office up to the date of the ensuing Annual General Meeting.

The Company is in receipt of the notice in writing from a member proposing the candidature of Mr. Shashi Kiran Shetty for the office of Director of the Company.

The Company has received consent in writing to act as Director in Form DIR-2 and intimation in Form DIR-8 to the effect that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Notice received under Section 160 of the Act is available for inspection by the members at the Registered office of the Company during the business hours on any working day up to the date of the Annual General Meeting.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on February 04, 2020 has approved the appointment of Mr. Shashi Kiran Shetty as Non-Executive Non-Independent Director and recommends the same for the approval by the Shareholders of the Company.

Except Mr. Shashi Kiran Shetty, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 5 of this Notice.

Other information about Mr. Shashi Kiran Shetty, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings issued by ICSI are attached as Annexure to the Notice.

Item No. 6

The Board of Directors of the Company has appointed Mr. Kaiwan Kalyaniwalla (DIN: 00060776) as an Additional Director of the Company with effect from February 04, 2020, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company. In terms of the provisions of Section 161(1) of the Act, Mr. Kaiwan Kalyaniwalla would hold office up to the date of the ensuing Annual General Meeting.

The Company is in receipt of the notice in writing from a member proposing the candidature of Mr. Kaiwan Kalyaniwalla for the office of Director of the Company.

The Company has received consent in writing to act as Director in Form DIR-2 and intimation in Form DIR-8 to the effect that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Notice received under Section 160 of the Act is available for inspection by the members at the Registered office of the Company during the business hours on any working day up to the date of the Annual General Meeting.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on February 04, 2020 has approved the appointment of Mr. Kaiwan Kalyaniwalla as Non-Executive Non-Independent Director and recommends the same for the approval by the Shareholders of the Company.

Except Mr. Kaiwan Kalyaniwalla, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 5 of this Notice.

Other information about Mr. Kaiwan Kalyaniwalla, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings issued by ICSI are attached as Annexure to the Notice.

Item No. 7

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, appointed Ms. Cynthia D'Souza (DIN: 00420046) as an Additional Director with effect from July 03, 2020 pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and as an Independent Director pursuant to Section 149 of the Act. In terms of the provisions of Section 161(1) of the Companies Act, 2013, Ms. Cynthia D'Souza will hold office only up to the date of ensuing Annual General Meeting.

The Company has received consent in writing to act as Director in Form DIR-2 and intimation in Form DIR-8 to the effect that she is not disqualified u/s 164(2) of the Act to act as Director. The Company has also received declaration from him that she meets the criteria of independence as prescribed u/s 149(6) of the Act. In the opinion of the Board, Ms. Cynthia D'Souza fulfils the conditions specified in the Act and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management.

Ms. Cynthia D'Souza, being eligible and offering herself for appointment, is proposed to be appointed as an Independent Director for a First Term of 5 (Five) years commencing from July 03, 2020.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on July 03, 2020 has approved the appointment of Ms. Cynthia D'Souza as an Independent Director and recommends the same for the approval by the Shareholders of the Company.

Except Ms. Cynthia D'Souza, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 7 of this Notice.

Other information about Ms. Cynthia D'Souza, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings issued by ICSI are attached as Annexure to the Notice.

Item No. 8

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, appointed Mr. Mohinder Pal Bansal (DIN: 01626343) as an Additional Director with effect from July 03, 2020 pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and as an Independent Director pursuant to Section 149 of the Act. In terms of the provisions of Section 161(1) of the Act, Mr. Mohinder Pal Bansal will hold office only up to the date of ensuing Annual General Meeting.

The Company has received consent in writing to act as Director in Form DIR-2 and intimation in Form DIR-8 to the effect that he is not disqualified u/s 164(2) of the Act to act as Director. The Company has also received declaration from him that he meets the criteria of independence as prescribed u/s 149(6) of the Act. In the opinion of the Board, Mr. Mohinder Pal Bansal fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Mr. Mohinder Pal Bansal, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a First Term of 5 (Five) years commencing from July 03, 2020.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on July 03, 2020 has approved the appointment of Mr. Mohinder Pal Bansal as an Independent Director and recommends the same for the approval by the Shareholders of the Company.

Except Mr. Mohinder Pal Bansal, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 8 of this Notice.

Other information about Mr. Mohinder Pal Bansal, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings issued by ICSI are attached as Annexure to the Notice.

Item No. 9

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, appointed Mr. Dinesh Kumar Lal (DIN: 00037142) as an Additional Director with effect from July 03, 2020 pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and as an Independent Director pursuant to Section 149 of the Act. In terms of the provisions of Section 161(1) of the Act, Mr. Dinesh Kumar Lal will hold office only up to the date of ensuing Annual General Meeting.

The Company has received consent in writing to act as Director in Form DIR-2 and intimation in Form DIR-8 to the effect that he is not disqualified u/s 164(2) of the Act to act as Director. The Company has also received declaration from him that he meets the criteria of independence as prescribed u/s 149(6) of the Act. In the opinion of the Board, Mr. Dinesh Kumar Lal fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Mr. Dinesh Lal, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a First Term of 5 (Five) years commencing from July 03, 2020.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on July 03, 2020 has approved the appointment of Mr. Dinesh Kumar Lal as an Independent Director and recommends the same for the approval by the Shareholders of the Company.

Except Mr. Dinesh Kumar Lal, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 9 of this Notice.

Other information about Mr. Dinesh Kumar Lal, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings issued by ICSI are attached as Annexure to the Notice.

Item No. 10

In accordance with the provisions of the Companies Act, 2013 ("the Act") the Board of Directors of the Company has appointed Mr. Shashi Kiran Shetty (DIN: 00012754) as an Additional Director of the Company with effect from February 04, 2020, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company. In terms of the provisions of Section 161(1) of the Act, Mr. Shashi Kiran Shetty would hold office up to the date of the ensuing Annual General Meeting.

Mr. Shashi Kiran Shetty has been appointed as the Chairman of the Board w.e.f. July 24, 2020. Further the Company is in receipt of the consent letter in writing from Mr. Shashi Kiran Shetty (DIN:00012754) to act as the Managing Director of the Company.

Considering Mr. Shetty's outstanding contribution in developing and expanding the business of the Company and in development of trade and the industry in which it operates, the Board of Directors of the Company at their meeting held on November 04, 2020 has appointed Mr. Shashi Kiran Shetty as the Managing Director of the Company subject to approval of the Members of the Company, for a period of five years effective from November 04, 2020 on the following terms & conditions as recommended by the Nomination and Remuneration Committee of the Company:

Proposed Terms & Conditions and Remuneration:

(i) Tenure:

The appointment shall be for a period of 5 years commencing from November 04, 2020 subject to the provisions of the Listing Regulations and the Act as may be amended both from time to time.

(ii) Duties and Responsibilities:

Subject to the superintendence, control and overall direction of the Board of Directors of the Company, the Managing Director shall have the power for general conduct and management of the whole of business and affairs of the Company, except in the matter which may be specifically required to be done by the Board either as per the provisions of the Act or by the Articles of Association of the Company and the Managing Director shall also exercise and perform such powers and duties as the Board of Directors of the Company (hereinafter called as "the Board") may from time to time determine and shall also do and perform all other acts and things which in the ordinary course of business he may consider necessary or proper or in the interest of the Company.

(iii) Salary:

Mr. Shashi Kiran Shetty will draw no remuneration from the Company. However, as he is also the Chairman & Managing Director of Allcargo Logistics Limited (Holding Company), he will draw remuneration from the Holding Company.

(iv) Perquisites:

Mr. Shashi Kiran Shetty will not avail any perquisites from the Company as he shall avail the same from the Holding Company.

(v) Commission:

Based on the Net profits of the Company computed in the manner laid down in Section 198 of the Act, and subject to the overall ceiling limits as prescribed under Section 197 & 198 and other applicable provisions of the Act read with Schedule V of the Act, Mr. Shashi Kiran Shetty may draw commission from the Company.

(vi) Other terms and conditions:

a) The Managing Director as long as he holds the said position shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

b) Mr. Shashi Kiran Shetty shall, while he continues to hold office of the Managing Director, be subject to retirement by rotation and he shall be reckoned as a Director for the purpose of determining the directors liable to retire by rotation and

such retirement and re-appointment shall, unless he is not re-appointed as a director, not constitute a break in his engagement as Managing Director during the tenure of his term and subsequent renewals thereof. Mr. Shashi Kiran Shetty shall not ipso facto cease to be a Director, if he ceases to hold office of Managing Director for any cause.

c) Notice Period shall be six months by either himself or by the Company.

d) Mr. Shashi Kiran Shetty can be appointed as Director or Managing Director or Whole-Time Director on the Board of other Companies including subsidiaries in accordance with the provisions of the applicable laws in India.

The Board recommends the Special Resolution set out at Item No. 10 of the Notice for the approval by the Members.

Except Mr. Shashi Kiran Shetty, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 10 of this Notice.

Other information about Mr. Shashi Kiran Shetty, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 on General Meetings issued by ICSI are attached as Annexure to the Notice.

Item No. 11

The Board of Directors vide resolution passed by circulation dated November 25, 2020 decided to alter the Capital clause of the Memorandum of Association of the Company, to re-classify (un-issued capital) and increase the Authorised Share Capital of the Company with the approval of the shareholders of the Company.

The authorised share capital of the Company, at present, is Rs. 30,00,00,000/- (Rupees Thirty Crores) comprising of 12,50,00,000 (Twelve Crores Fifty Lakhs) equity shares of face value of Rs. 2/- each and 5,00,000 (Five Lakhs) Redeemable Preference Shares of Rs. 100/- each.

The Company with the objective to augment the long-term resources to finance its business operations and at the same time for financing Working Capital requirement for general Corporate Purposes, is chalking down various fund raising options that involves issuance of Equity Shares which requires the Company to enhance its existing Authorised Share Capital base.

Accordingly, it is deemed appropriate to re-classify and increase the Authorised Share Capital of the Company and for that purpose, the Memorandum of Association of the Company is proposed to be altered in the manner specified in resolution at Item No. 11 of the accompanied notice.

The alteration in the Memorandum of Association of the Company is only consequential changes to reflect the proposed increase in the Authorised share capital of the Company.

Save and except for the shares of the Company held by them, none of the Directors or Key Managerial Personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 12

The Board in its meeting held on November 04, 2020 decided to alter the Articles of Association with the approval of the Shareholders of the Company more appropriately to align with the provisions of the Companies Act, 2013. It is therefore proposed to amend the Articles of Association of the Company pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013.

Your Board, accordingly, recommends passing of the Special resolution as set out at Item No.12 of this Notice for the approval of the Members. None of the Directors, Key Managerial Personnel, relatives of Directors and Key Managerial Personnel of the Company is directly/ indirectly interested in the above resolution except to the extent of their respective interest as shareholders of the Company.

Item No. 13

The Company had received request from Mr. Mahendra Kumar Agarwal, Promoter of the Company for reclassification from the 'Promoter' category to 'Public' category. The following are the details regarding his shareholding in the Company:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Mr. Mahendra Kumar Agarwal	15,74,935	1.29
Total	**15,74,935**	**1.29**

Pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") along with amendments thereto, the Board of Directors of the Company shall analyze the request, place the same before the shareholders in a general meeting for approval and apply for stock exchanges' approval subsequently.

Mr. Mahendra Kumar Agarwal was the erstwhile founder and Managing Director of the Company.

On the basis of the request received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of Listing Regulations, Mr. Mahendra Kumar Agarwal seeking reclassification confirmed that:

i) He, do not hold more than ten per cent of the total Voting Rights in the Company;

ii) He do not exercise control over the affairs of the Company directly or indirectly;

iii) He do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

iv) He do not represent on the Board of Directors (including not having a Nominee Director) of the Company;

v) He do not act as a Key Managerial Person in the Company;

vi) He is not 'wilful defaulter' as per the Reserve Bank of India Guidelines;

vii) He is not fugitive economic offender.

Further, they have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of Listing Regulations.

The said requests for reclassification were considered, analyzed and approved by the Board of Directors at its meeting held on September 28, 2020, subject to members' approval and stock exchanges' approval subsequently.

The Promoter shareholding in the Company after considering the reclassification as per Item no. 13, the same would be 50.61%.

None of the Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 13 of this Notice.

The Board recommends the resolution set forth in Item no. 13 for the approval of the Members.

Item No. 14

The Company had received request from TCI Finance Limited, Persons belonging to the Promoter group of the Company for reclassification from the 'Promoter Group' category to 'Public' category. The following are the details regarding its respective shareholding in the Company:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
TCI Finance Limited	10,03,250	0.82
Total	**10,03,250**	**0.82**

Pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") along with amendments thereto, the Board of Directors of the Company shall analyze the request, place the same before the shareholders in a general meeting for approval and apply for stock exchanges' approval subsequently.

TCI Finance Limited was incorporated on November 29, 1973 in India. TCI Finance Limited is a Non-Banking Finance Company.

On the basis of the request received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of Listing Regulations, TCI Finance Limited seeking reclassification confirmed that:

i) They, together do not hold more than ten per cent of the total Voting Rights in the Company;

ii) They do not exercise control over the affairs of the Company directly or indirectly;

iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

iv) They do not represent on the Board of Directors (including not having a Nominee Director) of the Company;

v) They do not act as a Key Managerial Person in the Company;

vi) They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;

vii) They are not fugitive economic offenders.

Further, they have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of Listing Regulations.

The said requests for reclassification were considered, analyzed and approved by the Board of Directors at its meeting held on September 28, 2020, subject to members' approval and stock exchanges' approval subsequently.

The Promoter shareholding in the Company after considering the reclassification as per Item no. 13 & 14, the same would be 49.79%.

None of the Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 14 of this Notice.

The Board recommends the resolution set forth in Item no. 14 for the approval of the Members.

Item No. 15

The Company had received request from Mahendra Investment Advisors Private Limited, Persons belonging to the Promoter group of the Company for reclassification from the 'Promoter Group' category to 'Public' category. The following are the details regarding its respective shareholding in the Company:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Mahendra Investment Advisors Private Limited	1,51,577	0.12
Total	**1,51,577**	**0.12**

Pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") along with amendments thereto, the Board of Directors of the Company shall analyze the request, place the same before the shareholders in a general meeting for approval and apply for stock exchanges' approval subsequently.

Mahendra Investment Advisors Private Limited was incorporated on August 05, 2004 in India with the intention to make investments in various manners.

On the basis of the request received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of Listing Regulations, Mahendra Investment Advisors Private Limited seeking reclassification confirmed that:

i) They, together do not hold more than ten per cent of the total Voting Rights in the Company;

ii) They do not exercise control over the affairs of the Company directly or indirectly;

iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

iv) They do not represent on the Board of Directors (including not having a Nominee Director) of the Company;

v) They do not act as a Key Managerial Person in the Company;

vi) They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;

vii) They are not fugitive economic offenders.

Further, they have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of Listing Regulations.

The said requests for reclassification were considered, analyzed and approved by the Board of Directors at its meeting held on September 28, 2020, subject to members' approval and stock exchanges' approval subsequently.

The Promoter shareholding in the Company after considering the reclassification as per Item no. 13, 14 & 15, the same would be 49.67%.

None of the Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 15 of this Notice.

The Board recommends the resolution set forth in Item no. 15 for the approval of the Members.

Item No. 16

The Company had received request from Mahendra Kumar Agarwal & Sons HUF, Persons belonging to the Promoter group of the Company for reclassification from the 'Promoter Group' category to 'Public' category. The following are the details regarding its respective shareholding in the Company:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Mahendra Kumar Agarwal & Sons HUF	5,46,083	0.45
Total	**5,46,083**	**0.45**

Pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") along with amendments thereto, the Board of Directors of the Company shall analyze the request, place the same before the shareholders in a general meeting for approval and apply for stock exchanges' approval subsequently.

On the basis of the request received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of Listing Regulations, Mahendra Kumar Agarwal & Sons HUF seeking reclassification confirmed that:

i) They, together do not hold more than ten per cent of the total Voting Rights in the Company;

ii) They do not exercise control over the affairs of the Company directly or indirectly;

iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

iv) They do not represent on the Board of Directors (including not having a Nominee Director) of the Company;

v) They do not act as a Key Managerial Person in the Company;

vi) They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;

vii) They are not fugitive economic offenders.

Further, they have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of Listing Regulations.

The said requests for reclassification were considered, analyzed and approved by the Board of Directors at its meeting held on September 28, 2020, subject to members' approval and stock exchanges' approval subsequently.

The Promoter shareholding in the Company after considering the reclassification as per Item no. 13, 14, 15 & 16 the same would be 49.22%.

None of the Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 16 of this Notice.

The Board recommends the resolution set forth in Item no. 16 for the approval of the Members.

Item No. 17

The Company had received request from Bunny Investments & Finance Private Limited, Persons belonging to the Promoter group of the Company for reclassification from the 'Promoter Group' category to 'Public' category. The following are the details regarding its respective shareholding in the Company:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Bunny Investments & Finance Private Limited	2,73,126	0.22
Total	**2,73,126**	**0.22**

Pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") along with amendments thereto, the Board of Directors of the Company shall analyze the request, place the same before the shareholders in a general meeting for approval and apply for stock exchanges' approval subsequently.

On the basis of the request received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of Listing Regulations, Bunny Investments & Finance Private Limited seeking reclassification confirmed that:

i) They, together do not hold more than ten per cent of the total Voting Rights in the Company;

ii) They do not exercise control over the affairs of the Company directly or indirectly;

iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

iv) They do not represent on the Board of Directors (including not having a Nominee Director) of the Company;

v) They do not act as a Key Managerial Person in the Company;

vi) They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;

vii) They are not fugitive economic offenders.

Further, they have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of Listing Regulations.

The said requests for reclassification were considered, analyzed and approved by the Board of Directors at its meeting held on September 28, 2020, subject to members' approval and stock exchanges' approval subsequently.

The Promoter shareholding in the Company after considering the reclassification as per Item no. 13, 14, 15, 16 & 17 the same would be 49.00%.

None of the Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 17 of this Notice.

The Board recommends the resolution set forth in Item no. 17 for the approval of the Members.

Item No. 18

The Company had received request from Jubilee Commercial & Trading Private Limited, Persons belonging to the Promoter group of the Company for reclassification from the 'Promoter Group' category to 'Public' category. The following are the details regarding its respective shareholding in the Company:

Name of the Promoter	No. of shares held as on September 28, 2020	Percentage (%)
Jubilee Commercial & Trading Private Limited	1,49,823	0.12
Total	**1,49,823**	**0.12**

Pursuant to Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") along with amendments thereto, the Board of Directors of the Company shall analyze the request, place the same before the shareholders in a general meeting for approval and apply for stock exchanges' approval subsequently.

On the basis of the request received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of Listing Regulations, Jubilee Commercial & Trading Private Limited seeking reclassification confirmed that:

i) They, together do not hold more than ten per cent of the total Voting Rights in the Company;

ii) They do not exercise control over the affairs of the Company directly or indirectly;

iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

iv) They do not represent on the Board of Directors (including not having a Nominee Director) of the Company;

v) They do not act as a Key Managerial Person in the Company;

vi) They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;

vii) They are not fugitive economic offenders.

Further, they have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of Listing Regulations.

The said requests for reclassification were considered, analyzed and approved by the Board of Directors at its meeting held on September 28, 2020, subject to members' approval and stock exchanges' approval subsequently.

The Promoter shareholding in the Company after considering the reclassification as per Item no. 13, 14, 15, 16, 17 & 18 the same would be 48.88%.

None of the Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 18 of this Notice.

The Board recommends the resolution set forth in Item no. 18 for the approval of the Members.

By order of the Board of Directors
for **Gati Limited**

T.S. Maharani
(Company Secretary & Compliance Officer)
Membership No: F8069

Place: Hyderabad
Date: November 25, 2020

Registered & Corporate Office:
Plot No.20, Survey No.12,
Kothaguda, Kondapur, Hyderabad- 500 084
Tel: +91 040-7120 4284, Fax: +91 040-2311 2318
CIN: L63011TG1995PLC020121
Website: www.gati.com
Email: investor.services@gati.com

ANNEXURE

PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD 2 ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/ RE-APPOINTED IS FURNISHED BELOW:

Mr. Yasuhiro Kaneda (DIN: 07619127)

Age	58
Qualifications	Commerce Graduate from Meiji University
Experience (including expertise in specific functional area) / Brief Resume	Mr. Yasuhiro Kaneda joined Kintetsu World Express Inc in 1985. He has more than 10 years of working experience in various leadership positions for development of KWE business at North America. He also headed the export operations of KWE Japan market. He is a commerce graduate from Meiji University and has rich experience of more than 30 years in Freight Forwarding and Logistics Industry. Presently, he is Managing Director of KWE South East and South Asia Region.
Terms & Conditions of Re-appointment	Non – Executive Director liable to retire by rotation
Remuneration Last Drawn (FY 2019-20)	Rs. 2,50,000 (Commission Paid for the FY 2018-19)
Remuneration proposed to be paid	-
Date of first appointment on the Board	04-11-2016
Shareholding in the Company as on March 31, 2020	-
Relationship with other Directors/Key Managerial Personnel	Not related to any director.
Number of meetings of the Board attended during the financial year (2019-20)	7 out of 11
Directorships of other Boards as on March 31, 2020	Kintetsu World Express (India) Private Limited
Membership/ Chairmanship of committees of other listed companies as on March 31, 2020 (includes only Audit Committee and Stakeholders Relationship Committee)	-

Mr. Shashi Kiran Shetty (DIN: 00012754)

Age	63
Qualifications	Bachelor of Commerce
Experience (including expertise in specific functional area) / Brief Resume	In 1993, he founded Allcargo Logistics which today enjoys the status of being India's largest integrated logistics company. Its trajectory of success and wide portfolio of world-class services like MTO, Contract Logistics and Project Equipment are testimony to Mr. Shetty's entrepreneurial spirit and foresight.
Terms & Conditions of Re-appointment	As mentioned in the Notice and explanatory statement.
Remuneration Last Drawn (FY 2019-20)	-
Remuneration proposed to be paid	-
Date of first appointment on the Board	04-02-2020
Shareholding in the Company as on March 31, 2020	-
Relationship with other Directors/Key Managerial Personnel	Not related to any director.
Number of meetings of the Board attended during the financial year (2019-20)	1 out of 1
Directorships of other Boards as on March 31, 2020	▪ Allcargo Logistics Limited; ▪ AGL Warehousing Private Limited; ▪ Avvashya CCI Logistics Private Limited; ▪ Allcargo Inland Park Private Limited; ▪ Allcargo Multimodal Private Limited; ▪ Malur Logistics and Industrial Parks Private Limited; ▪ Allcargo Projects Private Limited; ▪ Alltrans Logistics Private Limited; ▪ Avashya Corporation Private Limited; ▪ Avashya Holdings Private Limited; ▪ FTL (India) Private Limited; and ▪ Talentos Entertainment Private Limited.
Membership/ Chairmanship of committees of other listed companies as on March 31, 2020 (includes only Audit Committee and Stakeholders Relationship Committee)	**Allcargo Logistics Limited:-** ▪ Stakeholders Relationship Committee

Mr. Kaiwan Kalyaniwalla (DIN: 00060776)

Age	56
Qualifications	▪ Bachelor's degree in economics and political science; and ▪ Bachelor of Law.
Experience (including expertise in specific functional area) / Brief Resume	Mr. Kalyaniwalla has been in the practice of law for over 32 years and is enrolled as a Solicitor of the Supreme Court of England and Wales. His practice is predominantly in the field of corporate laws, property laws, tax laws and general commercial laws.
Terms & Conditions of Re-appointment	Non-Executive Director liable to retire by rotation
Remuneration Last Drawn (FY 2019-20)	-
Remuneration proposed to be paid	-
Date of first appointment on the Board	04-02-2020
Shareholding in the Company as on March 31, 2020	-
Relationship with other Directors/Key Managerial Personnel	Not related to any director.
Number of meetings of the Board attended during the financial year (2019-20)	1 out of 1
Directorships of other Boards as on March 31, 2020	▪ Modern India Limited; ▪ Allcargo Logistics Limited; ▪ Iorn & Metal Traders Private Limited; ▪ Bombay Metal And Alloys Mfg Company Private Limited ▪ Transindia Logistic Park Private Limited; ▪ Synchro Investments Private Limited; and ▪ Quantum Trustee Company Private Limited
Membership/ Chairmanship of committees of other listed companies as on March 31, 2020 (includes only Audit Committee and Stakeholders Relationship Committee)	**Modern India Ltd.:-** ▪ Audit Committee **Allcargo Logistics Limited:-** ▪ Stakeholders Relationship Committee ▪ Audit Committee

Ms. Cynthia D'Souza (DIN: 00420046)

Age	67
Qualifications	▪ Graduation in Psychology from Bombay University; ▪ Masters Degree in Human Resources (Including Industrial Psychology) from a premier Institute in India (TATA Institute of Social Sciences); ▪ Certified Trainer in the Zenger Miller Leadership Training (USA); ▪ Seven Dimensions of Culture Model - Trompenaars Hampden-Turner Intercultural Management Consulting; ▪ Certified Assessor for Assessment Centres.
Experience (including expertise in specific functional area) / Brief Resume	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.
Terms & Conditions of Re-appointment	As mentioned in the Notice and explanatory statement
Remuneration Last Drawn (FY 2019-20)	-
Remuneration proposed to be paid	-
Date of first appointment on the Board	03-07-2020
Shareholding in the Company	-
Relationship with other Directors/Key Managerial Personnel	Not related to any director.
Number of meetings of the Board attended during the financial year (2019-20)	Not Applicable
Directorships of other Boards as on March 31, 2020	▪ Cynthesis Management Consultants Private Limited; ▪ Watnxt Advisory Services Private Limited
Membership/ Chairmanship of committees of other listed companies as on March 31, 2020 (includes only Audit Committee and Stakeholders Relationship Committee)	-

Mr. Mohinder Pal Bansal (DIN: 01626343)

Age	63
Qualifications	Chartered Accountant
Experience (including expertise in specific functional area) / Brief Resume	Mr. Bansal has 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.
Terms & Conditions of Re-appointment	As mentioned in the Notice and explanatory statement
Remuneration Last Drawn (FY 2019-20)	Not Applicable
Remuneration proposed to be paid	-
Date of first appointment on the Board	03-07-2020
Shareholding in the Company	-
Relationship with other Directors/Key Managerial Personnel	Not related to any director.
Number of meetings of the Board attended during the financial year (2019-20)	Not Applicable
Directorships of other Boards as on March 31, 2020	▪ Navneet Education Limited; ▪ Allcargo Logistics Limited; ▪ Transindia Logistic Park Private Limited; ▪ Hindustan Cargo Limited; ▪ Avvashya CCI Logistics Private Limited; ▪ Prince Pipes and Fittings Limited; ▪ K 12 Techno Services Private Limited; ▪ Blacksoil Capital Private Limited; ▪ Blacksoil Asset Management Private Limited; and ▪ Allnet Financial Services Private Limited.
Membership/ Chairmanship of committees of other listed companies as on March 31, 2020 (includes only Audit Committee and Stakeholders Relationship Committee)	**Navneet Education Limited:-** ▪ Audit Committee; ▪ Stakeholders Relationship Committee. **Allcargo Logistics Limited:-** ▪ Audit Committee **Prince Pipes and Fittings Limited:-** ▪ Audit Committee

Mr. Dinesh Kumar Lal (DIN: 00037142)

Age	68
Qualifications	B.Com (Hons.)
Experience (including expertise in specific functional area) / Brief Resume	Mr. Dinesh is a shipping professional with more than 4 decades of experience in the Shipping Industry. His Management skills and entrepreneurial spirit has driven many conglomerates to achieve pinnacle of success during his tenure. 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.
Terms & Conditions of Re-appointment	As mentioned in the Notice and explanatory statement
Remuneration Last Drawn (FY 2019-20)	Not Applicable
Remuneration proposed to be paid	-
Date of first appointment on the Board	03-07-2020
Shareholding in the Company	-
Relationship with other Directors/Key Managerial Personnel	Not related to any director.
Number of meetings of the Board attended during the financial year (2019-20)	Not Applicable
Directorships of other Boards as on March 31, 2020	▪ Lotus Court Limited; ▪ Speedy Multimodes Limited; ▪ Raymond Limited; ▪ Shefali Farms Private Limited; ▪ AMI Global Logistics Private Limited; ▪ Hi-TOS Liner Agency Private Limited; ▪ Alert Agencies and Investments Private Limited; ▪ Santusht Credit Capital and Finance Private Limited (under liquidation); and ▪ Eden Realtors Private Limited.
Membership/ Chairmanship of committees of other listed companies as on March 31, 2020 (includes only Audit Committee and Stakeholders Relationship Committee)	**Raymond Limited:-** ▪ Stakeholders Relationship Committee

By order of the Board of Directors
for **Gati Limited**

T.S. Maharani
(Company Secretary & Compliance Officer)
Membership No: F8069

Place: Hyderabad
Date: November 25, 2020

Registered & Corporate Office:
Plot No.20, Survey No.12,
Kothaguda, Kondapur, Hyderabad- 500 084
Tel: +91 040-7120 4284, Fax: +91 040-2311 2318
CIN: L63011TG1995PLC020121
Website: www.gati.com
Email: investor.services@gati.com

Directors' Report

Dear Members,

Your Directors present the report of the Business and Operations of your Company ('the Company' or 'Gati'), along with the audited financial statements, for the financial year ended March 31, 2020. The Consolidated Performance of your Company and its subsidiaries has been referred to wherever required.

1) Financial Highlights

The summarized standalone and consolidated financial results of the Company for the financial year ended March 31, 2020 as compared to the previous year are as under:

(₹ in mn)

Particulars	Standalone		Consolidated	
	F.Y. 2019-20	F.Y. 2018-19	F.Y. 2019-20	F.Y. 2018-19
Total Income	**4,455***	**5,424***	**17,249**	**18,792**
Profit/(Loss) before Finance Cost, Depreciation & Amortization Expenses, Exceptional items & Tax Expenses	(53)	447	489	1,103
Less: Finance cost	125	151	536	453
Less : Depreciation and Amortization Expenses	37	40	437	295
Profit/(Loss) before tax & Exceptional items	**(215)**	**256**	**(484)**	**355**
Less: Exceptional items	-	-	-	-
Profit/(Loss) before tax	**(215)**	**256**	**(484)**	**355**
Less: Tax expenses	363^	13	358^	124
Profit/(Loss) after tax	**(578)**	**243**	**(843)**	**230**
Attributable to				
Owners of the company	(578)	243	(783)	183
Non –controlling Interest	-	-	(60)	47
Add: other comprehensive Income (net of Tax)	(05)	(19)	(13)	(31)
Total comprehensive income	**(583)**	**224**	**(855)**	**199**
Attributable to				
Owners of the company	(583)	224	793	155
Non –controlling Interest	-	-	62	44

*Includes dividend income from GKEPL.

^Tax related to earlier years.

2) Dividend

In view of the loss for the year ended, the Directors do not recommend any dividend on the equity shares of the Company for the financial year ended March 31, 2020.

3) Impact of COVID-19

The country witnessed lockdown being implemented in India in the second fortnight of March'2020. There were also restrictions of varying extent across larger part of the world, due to the COVID-19 pandemic. Due to lockdown situation in India, we were prohibited from full scale of services to end customers in March which continued till Mid-April'2020. Operations resumed gradually by end April'2020, and gradually increased in May'2020. Complete halt in the economic activities during the initial phase of the lockdown has impacted the demand in the month of April'2020, however the same started picking up from May'2020. Company has initiated various cost control measures across verticals with strict monitoring of costs under each head to reduce the impact on profitability of the company going forward. Amidst the crisis, the safety of our employees has been our top-most priority and the Company has taken several measures to ensure their well-being.

4) Review of Operations

Consolidated:

During the year under review, at consolidated level, your Company achieved a revenue of ₹ 17,249 mn, EBITDA of ₹ 489 mn, PBT of ₹ -484 mn and PAT of ₹ -843 mn as against

a revenue of ₹ 18,792 mn, EBITDA of ₹ 1,103 mn, PBT of ₹ 335 mn and PAT of ₹ 230 mn respectively in the previous year.

Standalone:

At standalone level, your Company recorded revenue of ₹ 4,455 mn, EBITDA of ₹ -53 mn, PBT of ₹ -215 mn and PAT of ₹ -578 mn as against revenue of ₹ 5,424 mn, EBITDA of ₹ 447 mn, PBT of ₹ 256 mn and PAT of ₹ 243 mn in the previous year.

5) Company's performance

Gati Import Export Trading Limited (GIETL)

Gati Import Export Trading Limited (GIETL) subsidiary is uniquely positioned to provide excellent connectivity and regional access to global enterprises and operate highly complex inventory management systems. The revenue rose from ₹ 1,095 Mn in FY 2018-19 to ₹ 1,190 Mn in FY 2019-20.

Our Approach has been to provide high margin Importer of Record (IOR) services for overseas sellers looking to grow their e-Commerce business in India and profitable domestic services for sellers looking for customized inventory ownership model with lean inventory model & End-to-End supply chain solutions.

Freight Forwarding

The Freight forwarding business has significantly declined due to the Global slowdown, China trade lanes were also impacted due to the Pandemic concern in this region. We witnessed large scale disruptions in supply chains and demand resulting in cancellation of order, as exporters were not able to ship goods during the 4th quarter of FY 2019-20.

Gati Kausar India Limited (GKIL)

The Indian cold chain market is growing at a steady pace with more organized players in the fray and Integrated logistics is the customers need today i.e. Primary movement > SCM Warehousing > secondary distribution.

With the Impact of Covid -19 in the last quarter of the Financial year Jan - Mar 2020 the frozen food business like Ice-creams RTE and QSR was badly hit with containment zones across India and is expected to revive in Financial Year Jan - Mar 2021. The F&V / Pharma Markets are growing steadily.

The company's Top line de-grew from ₹ 439 Mn in FY 2018-19 to ₹ 414 Mn in FY 2019-20 due to Covid 19 Impacting Q4.

EBITDA grew from ₹ 25 Mn in FY 2018-19 to ₹ 39.5 Mn in FY 2019-20 due to tighter control on costs and other operational parameters.

Going forward your company endeavours to do more of integrated supply chain Management and ensure customer delight by adding value proposition to their products.

E- Commerce

The E-Commerce industry, has been growing across various regions. This demand has also driven entry of several competitors particularly the last mile deliveries players. The E-Commerce companies also invested and strengthened their in-house logistic wing. Profitable growth has been the key challenge in the E-Commerce logistics and your company has significantly worked upon resource rationalization and targeting profitable sectors and products. During the year under review, the e-Commerce division of your company has recorded revenue of ₹ 127 Crores as against ₹ 178 Crores in the previous period.

Gati-Kintetsu Express Private Limited (GKEPL)

GKEPL for the last 3 decades, is India's proven leader in imparting Express Distribution and Supply Chain Solutions and offers an unmatched service offering that blends local experience with global expertise. During the year under review, GKEPL recorded revenue of ₹ 11,640 Mn, EBITDA of ₹ 528 Mn and PAT of ₹ (78) Mn against a revenue of ₹ 12,335 Mn, EBITDA of ₹ 754 mn and PAT of ₹ 270 Mn in the previous year.

The Global Pandemic and the following lockdown has made a severe impact on the Indian logistics sector that is facing several challenges related to labour shortages, cargo capacity, manufacturing slowdown, order delays and stuck shipments, and demand and supply shocks. The manufacturing halt is one of the major reasons for a reduced demand for logistics services that is expected to have a downward pressure on prices across warehousing freight, and logistics. With the economy picking up pace in FY 2021, the logistics industry is expected to grow with due the push from the retail, e-commerce and manufacturing sectors.

Your company has been significantly driving strategic actions to re-position its growth by focusing on Key Enterprise accounts (KEA), SME and Retail Industry diversification and driving end-to-end solutions for the customers. Also, there is a significant drive on the part of your company for cost reduction & operational efficiency improvement. On the operations front, your company is planning to further increase its capacity and capability by adding more pin codes & operating units to serve a larger customer base efficiently.

Branding

Consequent to the change in the ownership of the Company, the company has enhanced the branding to an "End to End Solution provider to our customer". Gati Updates was a newer initiatives where Company reached out to all our customers sharing with them about Gati's newer changes, Improvement, Product & Services. Company has also transformed the customer facing team into Key Enterprise Management, Small and medium accounts and Retail accounts. This has created a better positioning about the Company into the three customer segmentation which are the most critical for India logistic market. We have also increased the Business partners and channel partner network further enhancing our network and reach for our customer.

6) Consolidated Financial Statements

During the year, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the

Companies Act, 2013 ("the Act"), your company has prepared the consolidated financial statements of the Company, which forms part of this Annual Report in compliance with applicable provisions of the Act, read with the Rules made thereunder, applicable accounting standards and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations").

A separate statement containing the salient features of financial statement of all subsidiaries of the Company in the prescribed Form AOC – 1 forms a part of consolidated financial statements in compliance with Section 129(3) and other applicable provisions, if any, of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, as amended. The said Form also highlights the financial performance of each of the subsidiaries included in the consolidated financial statements of the Company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014, as amended.

In accordance with Section 136 of the Act, the financial statements of the subsidiary companies are available for inspection by the members at the Registered Office of the Company during the business hours on all days except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting ('AGM'). Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The financial statements including the consolidated financial statements, and all other documents required to be attached to this report have been uploaded on the website of the Company i.e. https://www.gati.com/investor-relations/subsidiaries-annual-report/.

7) Reserves

No amount transferred to Reserves, in view of the losses of the Company at the end of the financial year.

8) Fixed deposits (FD)

As on March 31, 2020, fixed deposits of your Company stood at ₹ 135.73 mn out of which ₹ 8.93 mn remain unclaimed and there were no overdue deposits as on that date. During the year under review, your Company has accepted deposits to the tune of ₹ 45.22 mn. There was no default in repayment of deposits or payment of interest thereon during the year and there are no deposits which are in non-compliance with the requirements of the Act. The current fixed deposits carry a rating of "CARE BBB" issued by CARE Ratings Limited. Further, the Board of Directors of the Company has decided at its meeting held on September 14, 2020 not to accept the new Fixed Deposits and renew any existing Fixed Deposits.

9) Directors and Key Managerial Personnel (KMP)

i. Appointment/Resignation/Cessation of Director:

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on August 02, 2019, has approved the appointment of Mr. Sushil Kumar Jiwarajka (DIN: 00016680) and Dr. Savita Date Menon (DIN: 08528271) as an Additional Directors (Independent) with effect from August 02, 2019 and the same were approved by the Shareholders of the Company in their Annual General Meeting held on September 25, 2019.

Further, the Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on February 04, 2020, has approved the appointment of Mr. Shashi Kiran Shetty (DIN: 00012754) and Mr. Kaiwan Kalyaniwalla (DIN: 00060776) as Additional Directors (Non-Executive) with effect from February 04, 2020 and recommends the same for the approval by the Shareholders of the Company in the ensuing Annual General Meeting of the Company.

Furthermore, after the end of the financial year the Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on July 03, 2020, has approved the appointment of Ms. Cynthia D'Souza (DIN: 00420046), Mr. Mohinder Pal Bansal (DIN: 01626343) and Mr. Dinesh Kumar Lal (DIN: 00037142) as an Additonal Directors (Independent) with effect from July 03, 2020 for a first term of 5 (Five) years and Mr. Adarsh Hegde (DIN: 00035040) & Mr. Jatin Chokshi (DIN: 00495015) as Additonal Directors (Non-Executive) with effect from July 03, 2020 and recommends the same for the approval by the Shareholders of the Company in the ensuing Annual General Meeting of the Company.

The Company has received consent in writing from all seven to act as Director in Form DIR- 2 and intimation in Form DIR-8 to the effect that they are not disqualified u/s 164(2) of the Act, to act as Directors. Mr. Shashi Kiran Shetty (DIN: 00012754), Mr. Kaiwan Kalyaniwalla (DIN: 00060776), Ms. Cynthia D'Souza (DIN: 00420046), Mr. Mohinder Pal Bansal (DIN: 01626343), Mr. Dinesh Kumar Lal (DIN: 00037142), Mr. Adarsh Hegde (DIN: 00035040) and Mr. Jatin Chokshi (DIN: 00495015) are eligible to be appointed as Directors of the Company and their appointment requires the approval of Members at the ensuing Annual General Meeting.

During the year Ms. Sheela Bhide (DIN: 01843547), Independent Director of the Company ceased as a Director, whose term as an Independent Director was expired on August 04, 2019 as she had conveyed her intention of not to seek re-appointment as an Independent Director of the Company for a further term. Further, Mr. Sushil Kumar Jiwarajka (DIN: 00016680) and Mr. Sunil Kumar Alagh (DIN: 00103320) have resigned from the Board of the Company with effect from December 05, 2019.

Further, subsequent to the closure of the reporting financial year Dr. P S Reddy (DIN: 00608915) resigned from the position of the Independent Director of the Company with effect from July 08, 2020 due to his personal reasons and Mr. K L Chugh (DIN: 00140124) resigned from the position of the Independent Director and Chairman of the Company with effect from July 24, 2020 due to his age, ill health and stressful work environment. Both the Independent Directors as detailed above, have been associated with

the Company for more than two decades. Mr. Shashi Kiran Shetty has now been appointed as the new Chairman of the Company with effect from July 24, 2020.

Furthermore subsequent to the closure of the reporting financial year Mr. Mahendra Kumar Agarwal (DIN: 00179779) resigned from the position of the Managing Director, Founder & CEO of the Company with effect from September 28, 2020 pursuant to the Share Purchase Agreement entered by him along with two other Promoter group members ("Sellers") with Allcargo Logistics Limited ("Acquirer") on December 05, 2019. Mr. Adarsh Hegde (DIN: 00035040) and Mr. Jatin Chokshi (DIN: 00495015) were also resigned from the position of Additional Non – Executive and Non-Independent Director of the Company with effect from October 05, 2020 due to their personal reasons.

ii. Re-appointment of Director:

During the year the Company has re-appointed Mr. K L Chugh, Mr. N Srinivasan, Mr. Sunil Alagh, Dr. PS Reddy and Mr. PN Shukla as Independent Directors of the Company for a second term of two consecutive years with effect from August 04, 2019.

iii. Retirement by Rotation:

In accordance with the provisions of Section 152 of the Act read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mr. Yasuhiro Kaneda (DIN: 07619127), Director of the Company, who retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment and the Board recommends his re-appointment.

In compliance with Regulation 36(3) of the Listing Regulations, brief resume of all the Directors proposed to be appointed / re-appointed forms part of the notes and explanatory statement to the Notice of the ensuing Annual General Meeting.

iv. Key Managerial Personnel:

Pursuant to resignation of Mr. Manoj Gupta, Chief Financial Officer (CFO) of the Company on July 31, 2018 and Mr. Amit Pathak, Company Secretary and Compliance officer of the Company on December 31, 2018, Mr. Peter H. Jayakumar was appointed as a CFO of the Company with effect from May 28, 2019 and Mrs. T.S. Maharani was appointed as a Company Secretary and Compliance officer of the Company with effect from August 02, 2019. Subsequently Mr. Rohan Mittal the Chief Transformation Officer of the Company has also been appointed as the new CFO in the place of Mr. Peter H. Jayakumar who has stepped down as CFO on account of his Superannuation with effect from October 09, 2020.

10) Particulars of Employees and related disclosures

The remuneration paid to your Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 of the Listing Regulations. The salient aspects covered in the Nomination and Remuneration Policy have been outlined in the Corporate Governance Report which forms part of this report.

The information required under section 197 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) in respect of Directors/employees of the Company is set out in the **Annexure –A** to this report.

11) Declaration by Independent Directors

Pursuant to sub section (6) of Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations, all the Independent Directors of your Company have given declaration that they have met the criteria of independence as required under the Act and the regulations.

12) Remuneration Policy

Your Directors have, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Director(s), Senior Management Personnel and their remuneration. The Remuneration Policy forms part of the Corporate Governance Report.

13) Board Evaluation

Pursuant to the provisions of the Act and the Listing Regulations, the evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board and in line with the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. The evaluation process has been explained in the Corporate Governance Report.

14) Board Committees

Detailed Composition of the Board committees namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Investment Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.

15) Audit committee

The details pertaining to the composition of the audit committee are included in the Corporate Governance Report, which is a part of this report.

All the recommendations made by the Audit Committee were accepted by the Board of Directors of the Company.

16) Particulars of Loans, Guarantees and Investments

The particulars of Loans given, Investments made and guarantee provided by the Company under Section 186 of

the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 as at March 31, 2020, forms part of the Financial Statements.

17) Corporate Social Responsibility (CSR)

In terms of section 135 and Schedule VII of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 made thereunder, the Board of Directors of your Company have constituted a CSR Committee.

The brief outline of the Corporate Social Responsibility (CSR) Policy of your Company and the initiatives undertaken on CSR activities during the year are set out in **Annexure-B** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the Company's website.

During the year Company has spent ₹ 3.32 Lakhs on CSR Activities. The Company proposed to spend the CSR amount in this financial year on the Projects submitted by different CSR partners to the Company but the company could implement very minimal activities during the year and planned to execute in phased manner by the financial year end based on the improvement of the cash flow position of the Company. Additionally the COVID-19 crisis and sudden lock down all over the country, impacted the business operations of the Company and thereby the identified projects could not be taken up any further.

18) Related Party Transactions

In line with the requirements of the Act and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at https://www.gati.com/investor-relations/policies/. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no material related party transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statement, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable. The details of the transactions with related parties are provided in Note No. 46 to the Financial Statements.

19) Meetings of the Board and Committees

Eleven Meetings of the Board of Directors were held during the year. For details of the meetings of the Board, please refer to the report on Corporate Governance, which forms part of this report.

20) Vigil Mechanism

The existing Whistle-blower Policy has been revised and the same being approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the Listing Regulations. The revised Whistle-blower Policy is being made available on the website of your company at https://www.gati.com/investor-relations/policies/.

21) Policy on prevention of Sexual Harassment at Workplace

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, your Company has complied with the provisions related to the Constitution of Internal Complaints Committee (ICC).

The Company has taken several initiatives across the organization to build awareness amongst employees about the Policy and the provisions of Prevention of Sexual Harassment of Women at Workplace Act.

No complaint on sexual harassment was received during the year.

22) Familiarisation Programme for Independent Directors

Pursuant to the Listing Regulations, the Company shall familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

The details of the Familiarisation programme process for the Independent Directors forms part of the Corporate Governance Report.

23) Directors' Responsibility Statement

Pursuant to the requirement under section 134(5) of the Act, with respect to the Directors' Responsibility Statement relating to the Company (Standalone), it is hereby confirmed:

a) That in the preparation of the Accounts for the financial year ended March 31, 2020, the applicable accounting standards and schedule III of the Act (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed along with the proper explanation relating to material departure;

b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit and loss of the Company for the financial year ended March 31, 2020;

c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act (including any statutory modification(s) or re-enactment(s) for the time being in force), for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) That the accounts have been prepared on 'going concern' basis;

e) The directors had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and the Company is constantly endeavouring to improve the standards of internal control in various areas and taking steps to strengthen the internal control system to make it commensurate and effective with the nature of its business;

f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

24) Extract of Annual Return

Pursuant to sub-section (3) of Section 92 of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return as at March 31, 2020 in Form MGT-9 is set out in **Annexure-C** to the Board's Report.

The said return is also available on the website of the Company at the link: http://www.gati.com/investor-relations/general/

25) Risk Management Policy

The company has a well-defined process in place to ensure appropriate identification and treatment of risks. Risk identification exercise is inter-woven with the annual planning cycle which ensures both regularity and comprehensiveness. The identification of risk is done at strategic, business, operational and process levels. While the mitigation plan and actions for risks belonging to strategic, business and key critical operational risks are driven by senior leadership, for rest of the risks, operating managers drives the conception and subsequent auctioning of mitigation plans.

All risks are well integrated with functional and business plans and are reviewed on a regular basis by the senior leadership.

The Company, through its risk management process, aims to contain the risks within its risk appetite. There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Annual Report.

26) Internal Financial Controls

Your Company has established and maintained a framework of internal financial controls and compliance systems. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and your Company is constantly endeavouring to improve the standards of internal control in various areas and taking steps to strengthen the internal control system to make it commensurate and effective with the nature of its business.

Further, the statutory auditors of your company have also issued an attestation report on internal control over financial reporting (as defined in Section 143 of Act) for the financial year ended March 31, 2020, which forms part to the Statutory Auditors Report.

27) Investor Education and Protection Fund

Pursuant to the applicable provisions of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividend are required to be transferred by the company to the IEPF established by the Central Government, after the completion of seven years. Further, according to the Rules, the share in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to demat account created by the IEPF Authority. Accordingly, the company has transferred the unpaid or unclaimed dividends of ₹ 6,56,624/- pertaining to Interim Dividend for the financial year 2011-12 and ₹ 6,45,719/- pertaining to Final Dividend for the financial year 2011-12. Further, the Company is in the process of transferring the corresponding shares which could not be transferred as per the requirement of IEPF rules due to technical glitch and lockdown in the nation as an impact of Covid-19. The details are also available on our website i.e. www.gati.com.

28) Auditors

a) Statutory Auditors

M/s. Singhi & Co., Chartered Accountants, (Firm Registration No. 302049E), were appointed as Statutory Auditors of the Company at the 22nd AGM till the conclusion of the 27th AGM.

The standalone and consolidated financial statements of the Company have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder (Ind AS) and other accounting principles generally accepted in India.

The Auditors' Report for the financial year ended March 31, 2020 on the financial statement of the Company is a part of this Annual Report. The Auditors have given a qualified opinion as described below:

On Standalone Financial Statements :

(i) Auditors Qualification given regarding operational advances to few parties under the head "Basis for Qualified Opinion" in Auditor's Report on Standalone financial statements read with note no. 48 of the Standalone financial statements is self-explanatory.

(ii) Independent Auditor has also drawn attention in their report for emphasis of matter regarding loans given to a subsidiary, read with Note no. 46(D) to the Standalone financial statements, is self-explanatory.

On Consolidated Financial Statements

(i) Auditors Qualification given in point no. (i),(ii) and (iii) under the head "Basis of Qualified Opinion" in the Auditors Report on consolidated financial statements read with note no.55,56 & 57(b) of the consolidated financial statements are self-explanatory and do not call for any further comments.

(ii) Independent Auditors has also drawn attention in their report on material uncertainty related to going concern matter and note 58(a) and 58(b) of the consolidated financial statements are self-explanatory.

(iii) Independent Auditors has also drawn attention in their report for Emphasis of matter, which read with note no. 57(a) to the consolidated financial statements of the Company, is self-explanatory.

Internal Financial controls:

Annexure A, to consolidated financial statement of Independent Auditor's report, under the head Basis of Qualified opinion refers to the operating effectiveness of Internal Financial Control over financial reporting of a subsidiary i.e. Gati-Kintetsu Express (P) Ltd. as follows:

a) Contract revenue mapping in Information technology system;

b) Integration between various functional software relating to Sales and expenses with the accounting in software.

Board comments:

a) Regarding contract revenue mapping, the subsidiary i.e. Gati-Kintetsu Express (P) Ltd has initiated the implementation of Digital contract system.

b) Regarding Integrating of certain functional software with the accounting software, necessary steps have been taken with continuing reconciliation.

b) Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. DVM & Associates LLP, as the Secretarial Auditor of the Company for FY 2019-20 to undertake the Secretarial Audit of your Company. The Report of the Secretarial Audit is annexed as **Annexure – D**. The Secretarial Auditors have given a qualified opinion which is described as below:

(a) Company has not appointed *common Independent Director* in the unlisted material subsidiary, Gati-Kintetsu Express Private Limited after the resignation of Independent Director on the Board of the Company w.e.f. December 05, 2019.

(b) There was delay in *appointment of Key Managerial Personnel* viz, Company Secretary and Compliance Officer and Chief Financial Officer by the Company within the Statutory Period as mentioned under Section 203 of the Act.

(c) The Company have not complied with the timelines of giving newspaper advertisement before transfer of shares to *IEPF Account*.

(d) The Board of Directors have taken certain business decisions, before it is being recommended by the *audit committee*, which are mandatory in nature.

Board's Comment:

(a) Due to the transition process and change in the control of the Management, the Company has not been able to appoint the common Independent Director in the unlisted material subsidiary of the Company after the resignation of Independent Director on the Board of the Company w.e.f. December 05, 2019. However w.e.f. October 05, 2020 the same has been complied with.

(b) The Company Secretary & Compliance officer of the Company resigned w.e.f. December 31, 2018 and was not filled up within the due time provided in the Act and the Listing Regulations. Further, the Board of Directors in its meeting held on August 02, 2019 appointed Mrs. T.S. Maharani as the Company Secretary & Compliance officer of the Company w.e.f. August 02, 2019. Furthermore, the position of the Chief Financial Officer fell vacant from August 01, 2018 till May 27, 2019, the Board of Directors in its meeting held on May 28, 2019 appointed Mr. Peter H Jayakumar as the Chief financial officer of the Company w.e.f May 28, 2019.

(c) The delay was inadvertent by oversight.

(d) This is with regard to the appointment of the Company Secretary & the Compliance Officer as per (b) above.

Further, M/s. DVM & Associates LLP, Practising Company Secretaries, carries out Reconciliation of Share Capital Audit every quarter and the report thereon is submitted to the Stock Exchanges.

29) Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

The above information as required under the Act, is annexed as **Annexure – E**.

30) Employees Stock Option Scheme

Your Company has two Employee Stock Option Schemes namely ESOS 2006 & ESOS 2007. During the year Company allotted 70,500 Equity shares pursuant to Employee Stock Options. The Schemes are in line with the SEBI (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations") and there have been no material changes to the schemes during the financial year 2019-20. The Company has received a

certificate from the Auditors of the Company that the Schemes are implemented in accordance with the SBEB Regulations and the resolutions passed by the members. The certificate would be available at the Annual General Meeting for inspection by members. The details as required to be disclosed under the SBEB Regulations and certificate from Auditors are put on the Company's website and may be accessed at: www.gati.com.

31) Change in Capital Structure and Listing at Stock Exchanges

The equity shares of your Company continue to be listed and traded on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

Further, during the year under review Company has issued and allotted 1,33,33,340 Equity Shares of the Company at a price of ₹ 75/- per share of ₹ 2/- face value each including premium of ₹ 73/- per share aggregating to ₹ 100,00,00,500/- to Allcargo Logistics Limited through preferential issue under Section 62(1)(c) of the Act read with Companies (Share Capital and Debentures) Rules, 2014 made thereunder and as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time and pursuant to the Share Subscription Agreement dated December 05, 2019 entered between the Company, the Allcargo Logistics Limited ("Subscriber") and the Mr. Mahendra Kumar Agarwal, TCI Finance Limited and Mahendra Investment Advisors Private Limited ("Promoters"). The Company has obtained the necessary In-principle approvals from the BSE & NSE for the issue and allotment of fresh equity shares and the same shares were traded in the BSE & NSE with effect from March 06, 2020.

Furthermore, during the financial year under review, 70,500 equity shares were allotted on exercise of the options vested under the Employee Stock Option Scheme.

Consequently, the Equity Share Capital of your Company increased from ₹ 21,70,84,274/- comprising of 10,85,42,137 equity shares of ₹ 2/- each to ₹ 24,38,91,954/- comprising of 12,19,45,977 equity shares of Rs 2/- each as on March 31, 2020.

32) Change of Registrar and Share Transfer Agent of the Company

Post closure of the reporting period, Company has terminated the services of Kfin Technologies Private Limited (formerly known as Karvy Fintech Private Limited) as Registrar & Share Transfer Agent and has appointed Link Intime India Private Limited as Registrar & Share Transfer Agent with effect from August 18, 2020.

33) Company's Policies

The details of the policies approved and adopted by the Board are provided in **Annexure - F** to this report.

34) Corporate Governance

Your Company is committed to maintain the high standards of corporate governance and adhere to the corporate governance requirements set out by Securities and Exchange Board of India. The Report on corporate governance as stipulated under the Listing Regulations, forms part of the Annual Report and is annexed as **Annexure - G**. The requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Regulations forms part of this report.

35) Management Discussion and Analysis (MD&A)

Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation 34(2)(e) of the Listing Regulations, is presented in a separate section and forms part of the Annual Report.

36) Business Responsibility Report (BRR)

Business Responsibility Report for the financial year under review, as stipulated under Regulation 34(2)(f) of the Listing Regulations, is presented in a separate section and forms part of the Annual Report.

37) General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the financial year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of your Company under any scheme save and except ESOS referred to in this Report.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. During the period under review, none of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).
5. The Company has complied with Secretarial Standards, i.e. SS-1 and SS-2, relating to Meetings of the Board of Directors and General Meetings, issued by the Institute of Company Secretaries of India.
6. There were no material changes commitments affecting the financial position of your Company between the end of financial year (March 31, 2020) and the date of the report (November 04, 2020).

7. Company is not required to maintain cost records under Section 148(1) of the Act.

8. The policy for determining material subsidiaries of the Company has been provided on the Company's website at www.gati.com

38) Acknowledgment

Your Directors thank various departments of Central and State Government, Organizations and Agencies for the continued help and co-operation extended by them to your company. Your Directors also gratefully acknowledge all stakeholders of the Company viz. members, customers, dealers, vendors, Financial Institutions, banks and other business partners for the excellent support received from them during the year and the financial contribution and significant support from the largest shareholder Allcargo Logistics Limited. Your Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board

Shashi Kiran Shetty
Chairman
DIN: 00012754

Place: Hyderabad
Date: November 04, 2020

Annexure – A

Particulars of Employees information as per Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 and percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the financial year 2019-20, are as under:

Executive Directors and KMP	Ratio of remuneration of each Director / Key Managerial Personnel to median remuneration of employees	% increase in Remuneration in the Financial Year 2019-20
Mr. Mahendra Agarwal - Founder & CEO(%)	NA	NA
Mr. Peter H Jayakumar, CFO($)	^	^^
Ms. TS Maharani, Company Secretary(#)	*	**

(%) Mr. Mahendra Agarwal is drawing remuneration from GKEPL, Subsidiary Company.

($) Appointed as CFO w.e.f. 28 May, 2019.

(#) Appointed as Company Secretary w.e.f. 02 August, 2019.

^ Since the remuneration is only for part of the year, the ratio of their remuneration to median remuneration and % increase in remuneration is not comparable and hence, not stated.

^^ Remuneration received in FY20 is not comparable with remuneration received in FY19 owing to his appointment w.e.f 28 May, 2019 and hence, not stated.

*Since the remuneration is only for part of the year, the ratio of their remuneration to median remuneration and % increase in remuneration is not comparable and hence, not stated.

**Remuneration received in FY20 is not comparable with remuneration received in FY19 owing to her appointment w.e.f 02 August, 2019 and hence, not stated.

ii) The median remuneration is ₹ 0.26 mn and the percentage increase in the median remuneration of employees in the financial year is 5%.

iii) The number of permanent employees on the rolls of company as on March 31, 2020: 344.

iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Increase in remuneration is based on remuneration policy of the Company.

v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

vi) The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary of the Company.

Note:

a) The Non-Executive Directors of the Company are entitled for sitting fee and commission as per the statutory provisions and within the limits approved by the shareholders. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report and is governed by the Differential Remuneration Policy, as detailed in the said report. The ratio of remuneration and percentage increase for Non-Executive Directors remuneration is therefore not considered for the purpose above.

b) Percentage increase in remuneration is calculated based on total cost to the company as approved by the Nomination and Remuneration Committee of the Company during the financial year 2019-20.

For and on behalf of the Board

Shashi Kiran Shetty
Chairman
DIN: 00012754

Place: Hyderabad
Date: November 04, 2020

Annexure – B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2019-20

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	Gati to be a socially responsible corporate by fulfilling its responsibilities as a member of the society and community, thereby creating a positive impact to the stakeholders with a concern towards the environment. The programs include Education, Community, Environment Sustainability and Rural Development Projects & Donations. The CSR Policy of the Company is available on the website of the Company i.e. https://www.gati.com/wp-content/uploads/2020/02/Gati-CSR-Policy.pdf.
2. The Composition of the CSR Committee (as on March 31, 2020)	1. Mr. Mahendra Agarwal, Chairperson 2. Dr. Savita Date Menon, Member 3. Dr. P S Reddy, Member
3. Average net profit of the Company for last three financial years for the purpose of computation of CSR	₹ 329.29 Mn
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 6.59 Mn
5. Details of CSR spent during the financial year 2019-20:	₹ 19.79 Mn (Including carried forward unspent amount of ₹ 13.2 Mn of the FY 2018-19)
a. Total amount to be spent for the financial year 2019-20.	
b. Amount unspent, if any	₹ 19.45 Mn (includes ₹ 6.25 Mn unspent of the FY 2019-20)

c. Manner in which the amount spent during the financial year is detailed below.

(1) S. No	(2) CSR project or activity Identified	(3) Sector in which the Project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or Programs wise	(6) Amount spent on the projects or Programs Subheads: (1) Direct expenditure on projects or Programs. (2) Overheads:	(7) Cumulative expenditure upto to the reporting period	(8) Amount spent: Direct or through implementing agency
1.	Driver Training Center at Swarna Bharat Trust	Drive Training	Driver Trainings, Recognition prior learning Training programme and Driving school setup	Rs 4,25,000	Rs 3,32,806	Rs 3,32,806	Direct
	GRAND TOTAL			**Rs 4,25,000**	**Rs 3,32,806**	**Rs 3,32,806**	

6. In case the company has failed to spend the two percent of the average net profit of the last three financial year or any part thereof, the company shall provide the reason for not spending the amount in its Board Report:-

Gati Limited considers Corporate social responsibility as an integral part of its business activities and endeavour to utilize allocable CSR budget for the benefit of the society. The Company has primarily identified five main segments: Education, Community, Environment Sustainability, Rural Development Projects & Health Care for CSR expenditure and has developed its own model to bring an optimal social impact.

The Company had plans to spend the money in this financial year, and Projects submitted by different CSR partners to the Company were considered and the company could implement very minimal activities during the year and planned to execute in phased manner by the financial year end based on the improvement of the cash flow position of the Company. Additionally the COVID-19 crisis and sudden lock down all over the country, impacted the business operations of the Company and thereby the identified projects could not be taken up any further.

7. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board

Shashi Kiran Shetty
Chairman
DIN: 00012754

Place: Hyderabad
Date: November 04, 2020

Annexure – C

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	:	L63011TG1995PLC020121
ii)	Registration Date	:	April 25, 1995
iii)	Name of the Company	:	Gati Limited
iv)	Category / Sub-Category of the Company	:	Public Company/Company having share capital, Indian Non-Government Company.
v)	Address of the Registered Office and Contact details	:	Plot No. 20, Sy. No. 12, Kothaguda, Kondapur, Hyderabad - 500 084 Tel. No. 040 7120 4284 Fax. No. 040 2311 2318 Email id: investor.services@gati.com Website: www.gati.com
vi)	Whether listed Company	:	Yes a) BSE Limited & b) National Stock Exchange of India Limited
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Kfin Technologies Private Limited* Karvy Selenium Tower B Selenium Building, Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serlingampally, Hyderabad, Telangana – 500 032 Tel No: 040 6717 2222 (Extn:1583) Fax No. 040 2300 1153 Email id: einward.ris@karvy.com Website: www.kfintech.com

**w.e.f August 18, 2020 Company has changed the Registrar and Transfer Agent from KFin Technologies Private Limited to Link intime India Private Limited.*

II. PRINCIPLE BUSINESS ACTIVITY OF THE COMPANY

S. no	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the Company
1)	Cargo handling incidental to land, water & air transport.	52241, 52242, 52243	35.30%
2)	Retail sale of automotive fuel in specialized store (including the activity of petrol filling stations)	47300	64.70%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of the Company & PIN	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section of Companies Act, 2013
1)	Gati-Kintetsu Express Pvt. Ltd., First floor, Plot no.20, Sy. no.12, Kothaguda, Kondapur, Hyderabad-500 084	U62200TG2007PTC056311	Subsidiary	70.00	2 (87)
2)	Gati Kausar India Ltd., 1-7-285, M. G. Road, Secunderabad-500 003	U74899TG1984PLC089495	Subsidiary	69.89	2 (87)
3)	Gati Import Export Trading Ltd., 1-7-293, M. G. Road, Secunderabad-500 003	U60232TG2008PLC057692	Subsidiary	100.00	2 (87)
4)	Zen Cargo Movers Pvt. Ltd., AG- 50, Sanjay Gandhi Transport Nagar, G.T. Karnal Road, New Delhi-110 042	U64120DL2007PTC160560	Subsidiary	100.00	2 (87)
5)	Gati Logistics Parks Pvt. Ltd., 1-7-293, M. G. Road, Secunderabad-500 003	U63030TG2011PTC072285	Subsidiary	100.00	2 (87)
6)	Gati Projects Pvt. Ltd., 1-7-293, M. G. Road, Secunderabad-500 003	U45400TG2011PTC072399	Subsidiary	100.00	2 (87)
7)	*Gati Asia Pacific Pte Ltd., (GAP), 3 Changi North Street 2, #01-01 Logis Tech Singapore – 498 827	Foreign Company	Subsidiary	100.00	2 (87)
8)	*Gati Hong Kong Ltd., Unit 29 UP, 7/F Metro Centre II No. 21, Lam Hing Street, Kowloon Bay, Hong Kong	Foreign Company	Subsidiary	100.00 of GAP	2 (87)
9)	*Gati Cargo Express (Shanghai) Co. Ltd., Ground Floor, East Gate, No. 399 Huqingping Road, Shanghai China, 201 105	Foreign Company	Subsidiary	100.00 of GAP	2 (87)
10)	Gati Ship Ltd., 1-7-293, M.G.Road, Secunderabad-500 003	U61100TG2010PLC070699	Associate	47.95	2 (6)

** Gati Asia Pacific Pte Ltd. alongwith Gati Hong Kong ltd. and Gati Cargo Express (Shanghai) Co. Ltd. have ceased tobe the Company's subsidiaries w.e.f. August 17, 2020*

IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of total Equity)

i) Category-wise Shareholding

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 31/03/2019				NO. OF SHARES HELD AT THE END OF THE YEAR 31/03/2020				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	22650095	0	22650095	20.87	9507267	0	9507267	7.80	-13.07
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	**22650095**	**0**	**22650095**	**20.87**	**9507267**	**0**	**9507267**	**7.80**	**-13.07**
(2)	FOREIGN									

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 31/03/2019				NO. OF SHARES HELD AT THE END OF THE YEAR 31/03/2020				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total A=A(1)+A(2)	**22650095**	**0**	**22650095**	**20.87**	**9507267**	**0**	**9507267**	**7.80**	**-13.07**
(B)	**PUBLIC SHAREHOLDING**									
(1)	**INSTITUTIONS**									
(a)	Mutual Funds /UTI	0	0	0	0.00	3216968	0	3216968	2.64	2.64
(b)	Financial Institutions /Banks	408308	53145	461453	0.43	126528	53145	179673	0.15	-0.28
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	6834578	745	6835323	6.30	5701683	745	5702428	4.68	-1.62
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	**7242886**	**53890**	**7296776**	**6.72**	**9045179**	**53890**	**9099069**	**7.46**	**0.74**
(2)	**NON-INSTITUTIONS**									
(a)	Bodies Corporate	14243860	13880	14257740	13.14	41228983	8310	41237293	33.82	20.68
(b)	Individuals									
	(i) Individuals holding nominal share capital upto ₹1 lakh	33291004	755841	34046845	31.37	27685570	727316	28412886	23.30	-8.07
	(ii) Individuals holding nominal share capital in excess of ₹1 lakh	8157755	0	8157755	7.52	12124049	0	12124049	9.94	2.43
(c)	Others									
	CLEARING MEMBERS	332854	0	332854	0.31	7908084	0	7908084	6.48	6.18
	DIRECTORS	199000	0	199000	0.18	107000	0	107000	0.09	-0.10
	FOREIGN BODIES	4329114	0	4329114	3.99	4329114	0	4329114	3.55	-0.44
	F C B	14269755	0	14269755	13.15	6885335	0	6885335	5.65	-7.50
	FOREIGN NATIONALS	360	0	360	0.00	360	0	360	0.00	0.00
	I E P F	502298	0	502298	0.46	499378	0	499378	0.41	-0.05
	NBFC	554327	0	554327	0.51	10004	0	10004	0.01	-0.50
	NON RESIDENT INDIANS	1318512	97710	1416222	1.30	1220984	95925	1316909	1.08	-0.22
	NRI NON-REPATRIATION	491941	0	491941	0.45	360224	0	360224	0.30	-0.16
	TRUSTS	37055	0	37055	0.03	149005	0	149005	0.12	0.09
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	**77727835**	**867431**	**78595266**	**72.41**	**102508090**	**831551**	**103339641**	**84.74**	**12.33**
	Total B=B(1)+B(2) :	**84970721**	**921321**	**85892042**	**79.13**	**111553269**	**885441**	**112438710**	**92.20**	**13.07**
	Total (A+B) :	**107620816**	**921321**	**108542137**	**100.00**	**121060536**	**885441**	**121945977**	**100.00**	**0.00**
(C)	**Shares held by custodians, against which Depository Receipts have been issued**									
(1)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A+B+C) :	**107620816**	**921321**	**108542137**	**100.00**	**121060536**	**885441**	**121945977**	**100.00**	

ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to the total shares	
TCI Finance Limited	1095015	1.01	0.99	1003250	0.82	0.53	(0.19)
Mahendra Investments Advisors Private Limited	3064877	2.82	2.82	151577	0.12	0.12	(2.7)
Mahendra Kumar Agarwal	3184188	2.93	2.92	1574935	1.29	1.25	(1.64)
Mahendra Kumar Agarwal & Sons (HUF)	3687995	3.40	3.40	621083	0.51	0.37	(2.89)
Dhruv Agarwal Benefit Trust	2393700	2.21	2.17	108750	0.09	0.09	(2.12)
Manish Agarwal Benefit Trust	1882040	1.73	1.66	24728	0.02	--	(1.71)
Bunny Investments And Finance Private Limited	1454972	1.34	1.33	273126	0.22	0.18	(1.11)
Jubilee Commercial & Trading Private Limited	287313	0.26	0.17	149823	0.12	0.11	(0.14)
Neera and Children Trust	5599995	5.16	--	5599995	4.59	--	(0.57)
Total	**22650095**	**20.87**	**15.48**	**9507267**	**7.80**	**2.66**	**(13.07)**

iii) Change in Promoter's Shareholding (please specify if there is no change)

Shareholders Name	Shareholding at the beginning of the year		Date wise increase / (decrease) in promoter shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)			Cumulative shareholding at the end of the year	
	No. of shares	% of total shares of the Company	Date	No. of shares	Nature	No. of shares	% of total shares of the Company
TCI Finance Limited	1095015	1.01	12/04/2019	3329440	Transfer/Buy	4424455	4.08
			09/08/2019	-274820	Transfer/Sell	4149635	3.82
			27/09/2019	-100000	Transfer/Sell	4049635	3.73
			15/11/2019	40000	Transfer/Buy	4089635	3.77
			22/11/2019	93000	Transfer/Buy	4182635	3.85
			27/12/2019	-3329440	Transfer/Sell	853195	0.79
			17/01/2020	-191430	Transfer/Sell	661765	0.61
			24/01/2020	11765	Transfer/Buy	673530	0.62
			24/01/2020	-11765	Transfer/Sell	661765	0.61
			31/01/2020	341485	Transfer/Buy	1003250	0.92
			31/03/2020	--	--	1003250	0.82
Mahendra Investments Advisors Private Limited	3064877	2.82	12/04/2019	-2913300	Transfer/Sell	151577	0.14
			20/09/2019	2876417	Transfer/Buy	3027994	2.79
			17/01/2020	-2876417	Transfer/Sell	151577	0.14
			24/01/2020	1577	Transfer/Buy	153154	0.14
			24/01/2020	-1577	Transfer/Sell	151577	0.14
			31/01/2020	286208	Transfer/Buy	437785	0.40
			20/03/2020	-286208	Transfer/Sell	151577	0.12
			31/03/2020	--	--	151577	0.12
Mahendra Kumar Agarwal	3184188	2.93	05/04/2019	-1040000	Transfer/Sell	2144188	1.98

Shareholders Name	Shareholding at the beginning of the year		Date wise increase / (decrease) in promoter shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)			Cumulative shareholding at the end of the year	
	No. of shares	% of total shares of the Company	Date	No. of shares	Nature	No. of shares	% of total shares of the Company
			02/08/2019	63515	Transfer/Buy	2207703	2.03
			17/01/2020	-650000	Transfer/Sell	1557703	1.43
			31/01/2020	17232	Transfer/Buy	1574935	1.45
			31/03/2020	--	--	1574935	1.29
Mahendra Kumar Agarwal & Sons (HUF)	3687995	3.40	05/04/2019	-270000	Transfer/Sell	3417995	3.15
			12/04/2019	-1631000	Transfer/Sell	1786995	1.65
			26/04/2019	-55000	Transfer/Sell	1731995	1.60
			24/05/2019	-172000	Transfer/Sell	1559995	1.44
			31/05/2019	-56000	Transfer/Sell	1503995	1.39
			14/06/2019	47000	Transfer/Buy	1550995	1.43
			26/07/2019	-110000	Transfer/Sell	1440995	1.33
			02/08/2019	16488	Transfer/Buy	1457483	1.34
			09/08/2019	-627750	Transfer/Sell	829733	0.76
			20/09/2019	1263250	Transfer/Buy	2092983	1.93
			25/10/2019	-95000	Transfer/Sell	1997983	1.84
			24/01/2020	-2650	Transfer/Sell	1995333	1.84
			07/02/2020	-62000	Transfer/Sell	1933333	1.78
			20/03/2020	-1312250	Transfer/Sell	621083	0.51
			31/03/2020	--	--	621083	0.51
Dhruv Agarwal Benefit Trust	2393700	2.21	05/04/2019	-2165000	Transfer/Sell	228700	0.21
			12/04/2019	-185000	Transfer/Sell	43700	0.04
			02/08/2019	132221	Transfer/Buy	175921	0.16
			20/09/2019	92969	Transfer/Buy	268890	0.25
			13/12/2019	-67171	Transfer/Sell	201719	0.19
			20/03/2020	-92969	Transfer/Sell	108750	0.09
			31/03/2020	--	--	108750	0.09
Manish Agarwal Benefit Trust	1882040	1.73	05/04/2019	-300000	Transfer/Sell	1582040	1.46
			12/04/2019	-1035634	Transfer/Sell	546406	0.50
			19/04/2019	-370000	Transfer/Sell	176406	0.16
			02/08/2019	-31678	Transfer/Sell	144728	0.13
			23/08/2019	-45000	Transfer/Sell	99728	0.09
			20/09/2019	445068	Transfer/Buy	544796	0.50
			20/03/2020	-520068	Transfer/Sell	24728	0.02
			31/03/2020	--	--	24728	0.02
Bunny Investments And Finance Private Limited	1454972	1.34	05/04/2019	-50000	Transfer/Sell	1404972	1.29
			31/05/2019	-175000	Transfer/Sell	1229972	1.13
			02/08/2019	3054	Transfer/Buy	1233026	1.14
			25/10/2019	40100	Transfer/Buy	1273126	1.17
			31/01/2020	-1000000	Transfer/Sell	273126	0.25
			31/03/2020	--	--	273126	0.22
Jubilee Commercial & Trading Private Limited	287313	0.26	31/05/2019	-5000	Transfer/Sell	282313	0.26
			14/02/2020	-132490	Transfer/Sell	149823	0.14
			31/03/2020	--	--	149823	0.12
Neera and Children Trust	5599995	5.16	31/03/2020	--	--	5599995	4.59

iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl no	Name of the Shareholder	Shareholding at the beginning of the Year		Date wise Increase/ (Decrease) in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity/ etc.)			Cumulative Shareholding at the end of the Year	
		No. of Shares	% of total shares of the company	Date	No. of Shares	Nature	No. of Shares	% of total shares of the company
1	ALLCARGO LOGISTICS LIMITED	0	0.00	30/03/2019	--	--	0	0.00
				17/01/2020	1200000	Transfer/Buy	1200000	1.10
				24/01/2020	1500000	Transfer/Buy	2700000	2.49
				31/01/2020	9370000	Transfer/Buy	12070000	11.11
				06/03/2020	13333340	Transfer/Buy	25403340	20.83
				31/03/2020	--	--	25403340	20.83
2	BAY CAPITAL INDIA FIXED INCOME FUND LIMITED	7834755	7.22	30/03/2019	--	--	7834755	7.22
				24/01/2020	-450000	Transfer/Sell	7384755	6.80
				07/02/2020	-100000	Transfer/Sell	7284755	6.71
				14/02/2020	-399420	Transfer/Sell	6885335	6.34
				31/03/2020	--	--	6885335	5.65
3	GOLDMAN SACHS INTERNATIONAL	6435000	5.93	30/03/2019	--	--	6435000	5.93
				20/09/2019	-693085	Transfer/Sell	5741915	5.29
				27/09/2019	-675819	Transfer/Sell	5066096	4.66
				06/12/2019	-477538	Transfer/Sell	4588558	4.22
				13/12/2019	-1005057	Transfer/Sell	3583501	3.30
				20/12/2019	-1122939	Transfer/Sell	2460562	2.27
				27/12/2019	-223931	Transfer/Sell	2236631	2.06
				31/12/2019	-156946	Transfer/Sell	2079685	1.91
				03/01/2020	-576331	Transfer/Sell	1503354	1.38
				10/01/2020	-1503354	Transfer/Sell	0	0.00
				31/03/2020	--	--	0	0.00
4	NEW HORIZON OPPORTUNITIES MASTER FUND	5000000	4.61	30/03/2019	--	--	5000000	4.61
				31/03/2020	--	--	5000000	4.10
5	RAJASTHAN GLOBAL SECURITIES PRIVATE LIMITED	0	0.00	30/03/2019	--	--	0	0.00
				12/04/2019	50000	Transfer/Buy	50000	0.05
				19/04/2019	-50000	Transfer/Sell	0	0.00
				30/09/2019	4051	Transfer/Buy	4051	0.00
				04/10/2019	7863	Transfer/Buy	11914	0.01
				11/10/2019	339128	Transfer/Buy	351042	0.32
				18/10/2019	111456	Transfer/Buy	462498	0.43
				25/10/2019	108712	Transfer/Buy	571210	0.53
				01/11/2019	17572	Transfer/Buy	588782	0.54
				08/11/2019	230320	Transfer/Buy	819102	0.75
				15/11/2019	373192	Transfer/Buy	1192294	1.10
				22/11/2019	100000	Transfer/Buy	1292294	1.19
				29/11/2019	-150000	Transfer/Sell	1142294	1.05
				06/12/2019	-172274	Transfer/Sell	970020	0.89
				13/12/2019	-159636	Transfer/Sell	810384	0.75
				20/12/2019	-5534	Transfer/Sell	804850	0.74
				10/01/2020	200000	Transfer/Buy	1004850	0.93
				24/01/2020	134870	Transfer/Buy	1139720	1.05
				31/01/2020	-221825	Transfer/Sell	917895	0.85
				07/02/2020	551375	Transfer/Buy	1469270	1.35

Sl no	Name of the Shareholder	Shareholding at the beginning of the Year		Date wise Increase/ (Decrease) in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity/ etc.)			Cumulative Shareholding at the end of the Year	
		No. of Shares	% of total shares of the company	Date	No. of Shares	Nature	No. of Shares	% of total shares of the company
				14/02/2020	441852	Transfer/Buy	1911122	1.76
				21/02/2020	103069	Transfer/Buy	2014191	1.85
				28/02/2020	393626	Transfer/Buy	2407817	2.22
				06/03/2020	620477	Transfer/Buy	3028294	2.48
				13/03/2020	209402	Transfer/Buy	3237696	2.66
				20/03/2020	665196	Transfer/Buy	3902892	3.20
				27/03/2020	444864	Transfer/Buy	4347756	3.57
				31/03/2020	--	--	4347756	3.57
6	KINTETSU WORLD EXPRESS INC	4329114	3.99	30/03/2019	--	--	4329114	3.99
				31/03/2020	--	--	4329114	3.55
7	THIAGARAJAR MILLS PRIVATE LIMITED	3347440	3.08	30/03/2019	--	--	3347440	3.08
				05/04/2019	-18000	Transfer/Sell	3329440	3.07
				12/04/2019	-3329440	Transfer/Sell	0	0.00
				31/03/2020	--	--	0	0.00
8	INDIAN CLEARING CORPORATION LIMITED	0	0.00	30/03/2019	--	--	0	0.00
				13/03/2020	7976	Transfer/Buy	7976	0.01
				20/03/2020	1049034	Transfer/Buy	1057010	0.87
				27/03/2020	1704972	Transfer/Buy	2761982	2.26
				31/03/2020	--	--	2761982	2.26
9	FINE ESTATES PRIVATE LIMITED	0	0.00	30/03/2019	--	--	0	0.00
				17/01/2020	3476417	Transfer/Buy	3476417	3.20
				31/01/2020	-3412454	Transfer/Sell	63963	0.06
				20/03/2020	1850287	Transfer/Buy	1914250	1.57
				31/03/2020	--	--	1914250	1.57
10	EDELWEISS MULTI STRATEGY INVESTMENT TRUST-EDELWEISS	0	0.00	30/03/2019	--	--	0	0.00
				13/12/2019	200000	Transfer/Buy	200000	0.18
				20/12/2019	200000	Transfer/Buy	400000	0.37
				27/12/2019	53349	Transfer/Buy	453349	0.42
				31/12/2019	65000	Transfer/Buy	518349	0.48
				03/01/2020	117411	Transfer/Buy	635760	0.59
				10/01/2020	218879	Transfer/Buy	854639	0.79
				17/01/2020	70704	Transfer/Buy	925343	0.85
				20/03/2020	713751	Transfer/Buy	1639094	1.34
				27/03/2020	140407	Transfer/Buy	1779501	1.46
				31/03/2020	--	--	1779501	1.46
11	ASHISH KACHOLIA	0	0.00	30/03/2019	--	--	0	0.00
				17/01/2020	388048	Transfer/Buy	388048	0.36
				24/01/2020	922906	Transfer/Buy	1310954	1.21
				31/01/2020	80752	Transfer/Buy	1391706	1.28
				13/03/2020	8804	Transfer/Buy	1400510	1.15
				20/03/2020	5538	Transfer/Buy	1406048	1.15
				31/03/2020	--	--	1406048	1.15

Sl no	Name of the Shareholder	Shareholding at the beginning of the Year		Date wise Increase/ (Decrease) in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity/ etc.)			Cumulative Shareholding at the end of the Year	
		No. of Shares	% of total shares of the company	Date	No. of Shares	Nature	No. of Shares	% of total shares of the company
12	KARVY STOCK BROKING LIMITED	1135097	1.05	30/03/2019	--	--	1135097	1.05
				05/04/2019	170068	Transfer/Buy	1305165	1.20
				05/04/2019	-150709	Transfer/Sell	1154456	1.06
				12/04/2019	199852	Transfer/Buy	1354308	1.25
				12/04/2019	-107230	Transfer/Sell	1247078	1.15
				19/04/2019	22516	Transfer/Buy	1269594	1.17
				19/04/2019	-27165	Transfer/Sell	1242429	1.14
				26/04/2019	7549	Transfer/Buy	1249978	1.15
				26/04/2019	-81556	Transfer/Sell	1168422	1.08
				03/05/2019	2015	Transfer/Buy	1170437	1.08
				03/05/2019	-6917	Transfer/Sell	1163520	1.07
				10/05/2019	165204	Transfer/Buy	1328724	1.22
				10/05/2019	-16958	Transfer/Sell	1311766	1.21
				17/05/2019	10035	Transfer/Buy	1321801	1.22
				17/05/2019	-6544	Transfer/Sell	1315257	1.21
				24/05/2019	7875	Transfer/Buy	1323132	1.22
				24/05/2019	-7625	Transfer/Sell	1315507	1.21
				31/05/2019	34540	Transfer/Buy	1350047	1.24
				31/05/2019	-324	Transfer/Sell	1349723	1.24
				07/06/2019	25870	Transfer/Buy	1375593	1.27
				07/06/2019	-32651	Transfer/Sell	1342942	1.24
				14/06/2019	1821	Transfer/Buy	1344763	1.24
				14/06/2019	-10055	Transfer/Sell	1334708	1.23
				21/06/2019	94502	Transfer/Buy	1429210	1.32
				21/06/2019	-86006	Transfer/Sell	1343204	1.24
				28/06/2019	1268	Transfer/Buy	1344472	1.24
				28/06/2019	-10049	Transfer/Sell	1334423	1.23
				29/06/2019	250	Transfer/Buy	1334673	1.23
				05/07/2019	218	Transfer/Buy	1334891	1.23
				05/07/2019	-24084	Transfer/Sell	1310807	1.21
				12/07/2019	1664	Transfer/Buy	1312471	1.21
				12/07/2019	-175	Transfer/Sell	1312296	1.21
				19/07/2019	205	Transfer/Buy	1312501	1.21
				19/07/2019	-104512	Transfer/Sell	1207989	1.11
				26/07/2019	11576	Transfer/Buy	1219565	1.12
				26/07/2019	-9215	Transfer/Sell	1210350	1.12
				02/08/2019	2990	Transfer/Buy	1213340	1.12
				02/08/2019	-1467	Transfer/Sell	1211873	1.12
				09/08/2019	3715	Transfer/Buy	1215588	1.12
				09/08/2019	-192737	Transfer/Sell	1022851	0.94
				16/08/2019	17892	Transfer/Buy	1040743	0.96
				16/08/2019	-8308	Transfer/Sell	1032435	0.95
				23/08/2019	1573	Transfer/Buy	1034008	0.95
				23/08/2019	-19850	Transfer/Sell	1014158	0.93
				30/08/2019	21090	Transfer/Buy	1035248	0.95
				30/08/2019	-270823	Transfer/Sell	764425	0.70

Sl no	Name of the Shareholder	Shareholding at the beginning of the Year		Date wise Increase/ (Decrease) in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity/ etc.)			Cumulative Shareholding at the end of the Year	
		No. of Shares	% of total shares of the company	Date	No. of Shares	Nature	No. of Shares	% of total shares of the company
				06/09/2019	14000	Transfer/Buy	778425	0.72
				06/09/2019	-23391	Transfer/Sell	755034	0.70
				13/09/2019	784	Transfer/Buy	755818	0.70
				13/09/2019	-8230	Transfer/Sell	747588	0.69
				20/09/2019	130902	Transfer/Buy	878490	0.81
				20/09/2019	-7015	Transfer/Sell	871475	0.80
				27/09/2019	235618	Transfer/Buy	1107093	1.02
				27/09/2019	-249652	Transfer/Sell	857441	0.79
				30/09/2019	180051	Transfer/Buy	1037492	0.96
				30/09/2019	-185798	Transfer/Sell	851694	0.78
				04/10/2019	1369	Transfer/Buy	853063	0.79
				04/10/2019	-3810	Transfer/Sell	849253	0.78
				11/10/2019	277	Transfer/Buy	849530	0.78
				11/10/2019	-4939	Transfer/Sell	844591	0.78
				18/10/2019	1525	Transfer/Buy	846116	0.78
				18/10/2019	-7107	Transfer/Sell	839009	0.77
				25/10/2019	50	Transfer/Buy	839059	0.77
				25/10/2019	-65267	Transfer/Sell	773792	0.71
				01/11/2019	871	Transfer/Buy	774663	0.71
				01/11/2019	-5463	Transfer/Sell	769200	0.71
				08/11/2019	8654	Transfer/Buy	777854	0.72
				08/11/2019	-14900	Transfer/Sell	762954	0.70
				15/11/2019	-262588	Transfer/Sell	500366	0.46
				22/11/2019	660	Transfer/Buy	501026	0.46
				22/11/2019	-57079	Transfer/Sell	443947	0.41
				29/11/2019	-6633	Transfer/Sell	437314	0.40
				06/12/2019	36	Transfer/Buy	437350	0.40
				06/12/2019	-136513	Transfer/Sell	300837	0.28
				13/12/2019	15684	Transfer/Buy	316521	0.29
				13/12/2019	-25814	Transfer/Sell	290707	0.27
				27/12/2019	-9893	Transfer/Sell	280814	0.26
				31/12/2019	-200	Transfer/Sell	280614	0.26
				03/01/2020	-5530	Transfer/Sell	275084	0.25
				10/01/2020	21786	Transfer/Buy	296870	0.27
				10/01/2020	-583	Transfer/Sell	296287	0.27
				17/01/2020	-99	Transfer/Sell	296188	0.27
				24/01/2020	-6425	Transfer/Sell	289763	0.27
				31/01/2020	-1808	Transfer/Sell	287955	0.27
				14/02/2020	150	Transfer/Buy	288105	0.27
				21/02/2020	-8332	Transfer/Buy	279773	0.26
				31/03/2020	--	--	279773	0.23
13	MEERA MADHUSUDAN SINGH	1103776	1.02	30/03/2019	--	--	1103776	1.02
				30/08/2019	66797	Transfer/Buy	1170573	1.08
				20/09/2019	19000	Transfer/Buy	1189573	1.10
				27/09/2019	135000	Transfer/Buy	1324573	1.22
				30/09/2019	-2000	Transfer/Sell	1322573	1.22
				04/10/2019	28600	Transfer/Buy	1351173	1.24

Sl no	Name of the Shareholder	Shareholding at the beginning of the Year		Date wise Increase/ (Decrease) in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity/ etc.)			Cumulative Shareholding at the end of the Year	
		No. of Shares	% of total shares of the company	Date	No. of Shares	Nature	No. of Shares	% of total shares of the company
				15/11/2019	33300	Transfer/Buy	1384473	1.27
				22/11/2019	24250	Transfer/Buy	1408723	1.30
				17/01/2020	-110686	Transfer/Sell	1298037	1.20
				24/01/2020	30896	Transfer/Buy	1328933	1.22
				31/01/2020	-93920	Transfer/Sell	1235013	1.14
				21/02/2020	44400	Transfer/Buy	1279413	1.18
				13/03/2020	244776	Transfer/Buy	1524189	1.25
				13/03/2020	-244776	Transfer/Sell	1279413	1.05
				31/03/2020	--	--	1279413	1.05
14	GLOBE CAPITAL MARKET LIMITED	1033367	0.95	30/03/2019	--	--	1033367	0.95
				05/04/2019	466875	Transfer/Buy	1500242	1.38
				05/04/2019	-370000	Transfer/Sell	1130242	1.04
				12/04/2019	4113	Transfer/Buy	1134355	1.05
				12/04/2019	-2392	Transfer/Sell	1131963	1.04
				19/04/2019	7015	Transfer/Buy	1138978	1.05
				19/04/2019	-325	Transfer/Sell	1138653	1.05
				26/04/2019	351	Transfer/Buy	1139004	1.05
				26/04/2019	-3749	Transfer/Sell	1135255	1.05
				03/05/2019	12046	Transfer/Buy	1147301	1.06
				10/05/2019	19509	Transfer/Buy	1166810	1.07
				10/05/2019	-7558	Transfer/Sell	1159252	1.07
				17/05/2019	12869	Transfer/Buy	1172121	1.08
				17/05/2019	-871	Transfer/Sell	1171250	1.08
				24/05/2019	3490	Transfer/Buy	1174740	1.08
				24/05/2019	-1942	Transfer/Sell	1172798	1.08
				31/05/2019	495	Transfer/Buy	1173293	1.08
				31/05/2019	-11446	Transfer/Sell	1161847	1.07
				07/06/2019	56522	Transfer/Buy	1218369	1.12
				07/06/2019	-25900	Transfer/Sell	1192469	1.10
				14/06/2019	3762	Transfer/Buy	1196231	1.10
				14/06/2019	-21539	Transfer/Sell	1174692	1.08
				21/06/2019	56543	Transfer/Buy	1231235	1.13
				21/06/2019	-3895	Transfer/Sell	1227340	1.13
				28/06/2019	102969	Transfer/Buy	1330309	1.23
				28/06/2019	-7170	Transfer/Sell	1323139	1.22
				29/06/2019	500000	Transfer/Buy	1823139	1.68
				29/06/2019	-506750	Transfer/Sell	1316389	1.21
				05/07/2019	401686	Transfer/Buy	1718075	1.58
				05/07/2019	-448158	Transfer/Sell	1269917	1.17
				12/07/2019	141147	Transfer/Buy	1411064	1.30
				12/07/2019	-118726	Transfer/Sell	1292338	1.19
				19/07/2019	20082	Transfer/Buy	1312420	1.21
				19/07/2019	-51494	Transfer/Sell	1260926	1.16
				26/07/2019	196321	Transfer/Buy	1457247	1.34
				26/07/2019	-129240	Transfer/Sell	1328007	1.22
				02/08/2019	22801	Transfer/Buy	1350808	1.24

Sl no	Name of the Shareholder	Shareholding at the beginning of the Year		Date wise Increase/ (Decrease) in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity/ etc.)			Cumulative Shareholding at the end of the Year	
		No. of Shares	% of total shares of the company	Date	No. of Shares	Nature	No. of Shares	% of total shares of the company
				02/08/2019	-7010	Transfer/Sell	1343798	1.24
				09/08/2019	609080	Transfer/Buy	1952878	1.80
				09/08/2019	-29063	Transfer/Sell	1923815	1.77
				16/08/2019	17588	Transfer/Buy	1941403	1.79
				16/08/2019	-9801	Transfer/Sell	1931602	1.78
				23/08/2019	11638	Transfer/Buy	1943240	1.79
				23/08/2019	-2096	Transfer/Sell	1941144	1.79
				30/08/2019	150055	Transfer/Buy	2091199	1.93
				30/08/2019	-291191	Transfer/Sell	1800008	1.66
				06/09/2019	2898	Transfer/Buy	1802906	1.66
				06/09/2019	-3853	Transfer/Sell	1799053	1.66
				13/09/2019	33559	Transfer/Buy	1832612	1.69
				13/09/2019	-43082	Transfer/Sell	1789530	1.65
				20/09/2019	166608	Transfer/Buy	1956138	1.80
				20/09/2019	-66594	Transfer/Sell	1889544	1.74
				27/09/2019	142098	Transfer/Buy	2031642	1.87
				27/09/2019	-164996	Transfer/Sell	1866646	1.72
				30/09/2019	100115	Transfer/Buy	1966761	1.81
				30/09/2019	-99444	Transfer/Sell	1867317	1.72
				04/10/2019	119456	Transfer/Buy	1986773	1.83
				04/10/2019	-1838	Transfer/Sell	1984935	1.83
				11/10/2019	175942	Transfer/Buy	2160877	1.99
				11/10/2019	-65495	Transfer/Sell	2095382	1.93
				18/10/2019	12763	Transfer/Buy	2108145	1.94
				18/10/2019	-78701	Transfer/Sell	2029444	1.87
				25/10/2019	99183	Transfer/Buy	2128627	1.96
				25/10/2019	-82	Transfer/Sell	2128545	1.96
				01/11/2019	-109012	Transfer/Sell	2019533	1.86
				08/11/2019	195167	Transfer/Buy	2214700	2.04
				08/11/2019	-17366	Transfer/Sell	2197334	2.02
				15/11/2019	831	Transfer/Buy	2198165	2.02
				15/11/2019	-168581	Transfer/Sell	2029584	1.87
				22/11/2019	12505	Transfer/Buy	2042089	1.88
				22/11/2019	-1250	Transfer/Sell	2040839	1.88
				29/11/2019	27618	Transfer/Buy	2068457	1.90
				29/11/2019	-420	Transfer/Sell	2068037	1.90
				06/12/2019	163539	Transfer/Buy	2231576	2.05
				06/12/2019	-24802	Transfer/Sell	2206774	2.03
				13/12/2019	1133279	Transfer/Buy	3340053	3.08
				13/12/2019	-18863	Transfer/Sell	3321190	3.06
				20/12/2019	159098	Transfer/Buy	3480288	3.20
				20/12/2019	-1161	Transfer/Sell	3479127	3.20
				27/12/2019	65407	Transfer/Buy	3544534	3.26
				27/12/2019	-36656	Transfer/Sell	3507878	3.23
				31/12/2019	56277	Transfer/Buy	3564155	3.28
				31/12/2019	-37084	Transfer/Sell	3527071	3.25
				03/01/2020	-157265	Transfer/Sell	3369806	3.10

Sl no	Name of the Shareholder	Shareholding at the beginning of the Year		Date wise Increase/ (Decrease) in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity/ etc.)			Cumulative Shareholding at the end of the Year	
		No. of Shares	% of total shares of the company	Date	No. of Shares	Nature	No. of Shares	% of total shares of the company
				10/01/2020	39715	Transfer/Buy	3409521	3.14
				10/01/2020	-8277	Transfer/Sell	3401244	3.13
				17/01/2020	861640	Transfer/Buy	4262884	3.92
				17/01/2020	-1079834	Transfer/Sell	3183050	2.93
				24/01/2020	473780	Transfer/Buy	3656830	3.37
				24/01/2020	-949979	Transfer/Sell	2706851	2.49
				31/01/2020	151	Transfer/Buy	2707002	2.49
				31/01/2020	-194686	Transfer/Sell	2512316	2.31
				07/02/2020	58716	Transfer/Buy	2571032	2.37
				07/02/2020	-156	Transfer/Sell	2570876	2.37
				14/02/2020	63962	Transfer/Buy	2634838	2.43
				14/02/2020	-59856	Transfer/Sell	2574982	2.37
				21/02/2020	84796	Transfer/Buy	2659778	2.45
				28/02/2020	373543	Transfer/Buy	3033321	2.79
				28/02/2020	-1320	Transfer/Sell	3032001	2.79
				06/03/2020	201987	Transfer/Buy	3233988	2.65
				06/03/2020	-476960	Transfer/Sell	2757028	2.26
				13/03/2020	6411	Transfer/Buy	2763439	2.27
				13/03/2020	-70942	Transfer/Sell	2692497	2.21
				20/03/2020	28534	Transfer/Buy	2721031	2.23
				20/03/2020	-297653	Transfer/Sell	2423378	1.99
				27/03/2020	41871	Transfer/Buy	2465249	2.02
				27/03/2020	-32829	Transfer/Sell	2432420	1.99
				31/03/2020	900	Transfer/Buy	2433320	2.00
				31/03/2020	-2950	Transfer/Sell	2430370	1.99
				31/03/2020	--	--	2430370	1.99
15	PRAVEEN K MANIVANNAN	800200	0.74	30/03/2019	--	--	800200	0.74
				24/01/2020	-800000	Transfer/Sell	200	0.00
				31/03/2020	--	--	200	0.00
16	DIMENSIONAL EMERGING MARKETS VALUE FUND	614254	0.57	30/03/2019	--	--	614254	0.57
				16/08/2019	-27619	Transfer/Sell	586635	0.54
				23/08/2019	-44228	Transfer/Sell	542407	0.50
				27/09/2019	-14048	Transfer/Sell	528359	0.49
				30/09/2019	-22886	Transfer/Sell	505473	0.47
				15/11/2019	-25593	Transfer/Sell	479880	0.44
				31/03/2020	--	--	479880	0.39

Note: The above information is based on the weekly beneficiary position received from Depositories.

v) Shareholding of Directors and Key Managerial Personnel

Sl no	For each the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Date wise increase / (decrease) in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)			Cumulative shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date	No. of shares	Nature	No. of shares	% of total shares of the Company
1	Mr. K L Chugh, Chairman	--	--	--	--	--	--	--
2	Mr. Mahendra Agarwal, Founder & CEO	3184188	2.93	--	--	--	3184188	2.93
				05/04/2019	-1040000	Transfer/Sell	2144188	1.98
				02/08/2019	63515	Transfer/Buy	2207703	2.03
				17/01/2020	-650000	Transfer/Sell	1557703	1.43
				31/01/2020	17232	Transfer/Buy	1574935	1.45
				31/03/2020	--	--	1574935	1.29
3	Mr. N Srinivasan, Director	89000	0.08	--	--	--	89000	0.07
4	Dr. P S Reddy, Director	--	--	--	--	--	--	--
5	Mr. P N Shukla, Director	20000	0.02	--	--	--	20000	0.02
				29/11/2019	-1000	Transfer/Sell	19000	0.02
				21/02/2020	-1000	Transfer/Sell	18000	0.02
				31/03/2020	--	--	18000	0.01
6	Mr. Sunil kumar Alagh, Director*	90000	0.08	--	--	--	90000	0.08
				20/03/2020	-90000	Transfer/Sell	0	0.00
				31/03/2020	--	--	0	0.00
7	Mr. Yasuhiro Kaneda, Nominee Director	--	--	--	--	--	--	--
8	Mrs. Sheela Bhide, Director*	--	--	--	--	--	--	--
9	Mr. Sushil Kumar Jiwarajka, Director*	--	--	--	--	--	--	--
10	Dr. Savita Date Menon, Director*	500	0.00	--	--	--	500	0.00
11	Mr. Shashi Kiran Janardhan Shetty, Director*	--	--	--	--	--	--	--
12	Mr. Kaiwan Dossabhoy Kalyaniwalla, Director*	--	--	--	--	--	--	--
13	Mrs. TS Maharani, Company Secretary*	--	--	--	--	--	--	--
14	Mr. Peter H Jayakumar, Chief Financial Officer *	113654	0.10	--	--	--	113654	0.09

***Note :**

1. Mr. Sunil Kumar Alagh resigned w.e.f 05.12.2019;
2. Ms. Sheela Bhide ceased to be a Director w.e.f 04.08.2019;
3. Mr. Sushil Kumar Jiwarajka was appointed w.e.f 02.08.2019 and resigned w.e.f 05.12.2019;
4. Dr. Savita Date Menon was appointed w.e.f 02.08.2019;
5. Mr. Shashi Kiran Shetty & Mr. Kaiwan Kalyaniwalla were appointed w.e.f 04.02.2020;
6. Mrs. TS Maharani was appointed w.e.f 02.08.2019;
7. Mr. Peter H Jayakumar was appointed w.e.f 28.05.2019.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

(₹ in mn)

Particulars	Secured Loans excluding deposits	Unsecured Loans*	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial Year				
i) Principal Amount	1028.70	--	135.90	1164.60
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	6.53	--	8.15	14.68
Total (i+ii+iii)	**1035.23**	**--**	**144.05**	**1179.28**
Change in Indebtedness during the financial year				
Addition	110.69	10.78	18.58	140.05
Reduction	(231.09)	(3.03)	(27.69)	(261.81)
Net Change	(120.40)	7.75	(9.11)	(121.76)
Indebtedness at the end of the financial Year				
i) Principal Amount	908.30	7.75	126.79	1042.84
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	4.61	--	10.12	14.73
Total (i+ii+iii)	**912.91**	**7.75**	**136.91**	**1057.57**

* The above includes lease liability of ₹ 7.75 Mns.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration of Managing Director, Whole-time Directors and/or Manager:

(₹ in mn)

S. no	Particular of Remuneration	Mr. Mahendra Agarwal, Founder & CEO	Total
1	Gross Salary		
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961.	-	-
	c) Profit in lieu of salary 17(3) of the Income Tax Act, 1961.	-	-
2	Stock Option (no. of options)	-	-
3	Sweat Equity	-	-
4	Commission		
	- as a % of profit	-	-
	- others, specify	-	-
5	Others, please specify – (Gratuity, Provident & Superannuation funds)	-	-
	Total (A)	**-**	**-**
	Ceiling as per section 197 of the Companies Act, 2013	5% of Net Profits of the Company.	

B. Remuneration to other Directors

(₹ in mn)

S. no	Particulars of remuneration	Name of the Directors											
		K L Chugh	N Srinivasan	P S Reddy	Sunil Alagh	P N Shukla	Yasuhiro Kaneda	Sushil Jiwarajka	Savita Date Menon	Shashi Kiran Shetty	Kaiwan Kalyaniwalla	Sheela Bhide	Total
1	**Independent Directors**												
	(a) Fee for attending board / committee meetings	0.61	0.73	0.13	0.39	0.62	--	0.25	0.35	--	--	0.07	3.15
	(b) Commission	--	--	--	--	--	--	--	--	--	--	--	--
	(c) Others, please specify	--	--	--	--	--	--	--	--	--	--	--	--
	Total (1)	**0.61**	**0.73**	**0.13**	**0.39**	**0.62**	**--**	**0.25**	**0.35**	**--**	**--**	**0.07**	**3.15**
2	**Other Non-Executive Directors**												
	a) Fee for attending board / committee meetings	--	--	--	--	--	--	--	--	--	--	--	--
	b) Commission*	--	--	--	--	--	--	--	--	--	--	--	--
	c) Others, please specify	--	--	--	--	--	--	--	--	--	--	--	--
	Total (2)	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
	Total B = (1+2)	**0.61**	**0.73**	**0.13**	**0.39**	**0.62**	**--**	**0.25**	**0.35**	**--**	**--**	**0.07**	**3.15**
	Total Managerial Remuneration as Commission												
	Ceiling as per Section 197 of the Companies Act, 2013	1% of Net Profits of the Company for all Non-Executive Directors.											

Note :

1. Mr. Sunil Kumar Alagh resigned w.e.f 05.12.2019
2. Ms. Sheela Bhide ceased to be a Director w.e.f 04.08.2019
3. Mr. Sushil Kumar Jiwarajka was appointed w.e.f 02.08.2019 and resigned w.e.f 05.12.2019
4. Mrs. Savita Date Menon was appointed w.e.f 02.08.2019
5. Mr. Shashi Kiran Shetty & Mr. Kaiwan Kalyaniwalla were appointed w.e.f 04.02.2020

* No commission for the Financial Year 2019-20 will be paid to the Directors.

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

(₹ in mn)

S. no	Particular of Remuneration	TS Maharani Company Secretary ^	Mr. Peter H Jayakumar, CFO^^	Total
1	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	1.74	4.70	6.44
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961.	--	0.03	0.03
	c) Profit in lieu of salary 17(3) of the Income Tax Act, 1961.	--	--	--
2	Stock Option (no. of options)	--	--	--
3	Sweat Equity	--	--	--
4	Commission			
	- as a % of profit	--	--	--
	- others, specify	--	--	--
5	Others, please specify – (Gratuity, Provident & Superannuation funds)	0.20	0.71	0.91
	Total	**1.94**	**5.44**	**7.38**

^ Appointed w.e.f 02.08.2019

^^ Appointed w.e.f 28.05.2019

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

There were no penalties, Punishment or Compounding of offences during the year ended March 31, 2020.

For and on behalf of the Board

Shashi Kiran Shetty
Chairman
DIN: 00012754

Place: Hyderabad
Date: November 04, 2020

Annexure – D

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March 2020

FORM NO. MR 3

Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members of
Gati Limited
Hyderabad

We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by **Gati Limited** (hereinafter called as "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the Audit Period covering the Financial Year ended on **31st March, 2020**, generally complied with the Statutory Provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the Financial Year ended 31st March 2020 ("Audit Period") according to the provisions of:

   1.1. The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (the Act) and the Rules made thereunder;

   1.2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

   1.3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

   1.4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

   1.5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

      1.5.1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

      1.5.2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      1.5.3. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

      1.5.4. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

      1.5.5. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

      1.5.6. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

   1.6. The Secretarial Standards on the Meetings of the Board of Directors, Committees and General Meetings issued by the Institute of Company Secretaries of India.

2. We report that during the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, except as hereinafter provided.

   2.1. Company has not appointed ***common Independent Director*** in the unlisted material subsidiary, Gati- Kintetsu Express Private Limited after the resignation of Independent Director on the Board of the Company w.e.f. 05.12.2019.

   2.2. There was delay in ***appointment of Key Managerial Personnel*** viz, Company Secretary and Compliance Officer and Chief Financial Officer by the Company within the Statutory Period as mentioned under Section 203 of the Companies Act, 2013.

   2.3. The Company have not complied with the timelines of giving newspaper advertisement before transfer of shares to ***IEPF Account***.

   2.4. The Board of Directors have taken certain business decisions, before it is being recommended by the ***audit committee***, which are mandatory in nature.

3. The Company is engaged in the Business of logistics i.e., cargo handling incidental to land, water and air transport and retail sale of automotive fuel in specialized store (including the activity of petrol filling stations). Accordingly, the following **Industry Specific Acts** are applicable to the Company, in view of the Management and as per the Guidance Note issued by the ICSI. Company has conveyed that they have team to check and ensure the compliance.

   i) Carriage of Goods by Air Act, 1972

   ii) Carriage of Goods by Sea Act, 1925

   iii) Railway Act, 1989

   iv) Motor Transport Workers Act, 1961

   v) Fatal Accidents Act, 1855

   vi) Multimodal Transportation of Goods Act, 1993

   vii) Control of National Highways (Land and Traffic) Act, 2002

   viii) Carriage by Road Act, 2007

   ix) Motor Vehicles Act, 1988

4. We further report that:

   4.1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors, and a Woman Director. The changes in the composition of the Board of Directors during the period under review were carried out in accordance with the provisions.

   4.2. Adequate Notice along with agenda and detailed notes on agenda is given to all the Directors electronically to schedule the Board Meetings. Decisions at the meetings of the Board of Directors and Committees of the Board of the Company were taken unanimously.

   4.3. The Borrowing Committee was renamed and reconstituted as Management Committee, during the period under review, which comprises of Board Members.

   4.4. Regarding Public Deposits accepted by the Company, Deposit Repayment Reserve is maintained in form of fixed deposits with scheduled banks instead of depositing in separate account.

   4.5. The Company has carried CSR activities during the financial year under review. However, the Company did not spend the full amount and the reasons for non-spending of the full amount are provided in Boards Report.

   4.6. Company has informed that all the related party transactions entered by the Company with Related Parties are in ordinary course of business and are on arm's length basis.

   4.7. During the Reporting Period the Board has approved the proposal for disposing of certain Non-core Investments and Non-core Assets of the Company and the Board approval has been taken.

   4.8. The Company has not provided the details of unclaimed matured deposit, which is to be credited to the Investor Education and Protection Fund (IEPF). Therefore, we are unable to comment on the compliance.

   4.9. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting. We have advised the Company to incorporate in the Minutes, their interest in the Item of Business, wherever applicable.

   4.10. The Company is advised to adopt the revised policies and codes as per the amended regulation of and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and also reported to the board of directors and to the Chairman of the Audit Committee regarding the compliance of the Insider Trading regulation.

   4.11. During the reporting period, we are of the view Company has predominantly informed the transactions under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

   4.12. Upon the approval of Shareholders of the Company at the EGM held on 07.01.2020, the Board of Directors allotted the 1,33,33,340 Equity shares to Allcargo Logistics Limited by way of Preferential Issue on 21.01.2020. Further Allcargo Logistics Limited has also acquired 62,88,399 Equity Shares on 28.01.2020 from open market pursuant to Share Purchase Agreement (SPA) entered with few of the promoters and further acquired 57,81,601 Equity Shares from open market from public during 13.01.2020 to 28.01.2020. Thus, as on 31.03.2020 the holding of Allcargo Logistics Limited was 20.83%

   4.13. In accordance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations, and upon receipt of all approvals, Open Offer was made by Allcargo Logistics Limited, which was open from 13.03.2020 to 27.03.2020 and settled on 08.04.2020. Post open offer, as on signing the report, Allcargo Logistics Limited is the promoter of the Company holding increased from 20.83% to 46.86% of the share capital of the Company.

   4.14. On the date of signing this Report, we have been informed that the Allcargo Logistics Ltd has given a special notice for passing Resolution for the removal of Mr. Mahendra Kumar Agarwal, Managing Director and Director of the Company under Section 169 of the Companies Act, 2013, at the ensuing Annual General Meeting.

   4.15. We are unable to comment whether the Company has obtained the Annual Auditor Certificate regarding the implementation of the ESOP scheme in accordance with the ESOP rules.

   4.16. The Company have belatedly transferred the unclaimed dividend amount of 2011-12 to the IEPF during the Financial Year under review.

4.17. We have been informed by the Company that the Pre-clearance is not required relating to the Pledge of Shares by the designated persons.

4.18. The Company have received letter from SEBI regarding Non-appointment of Compliance officer under Regulation 6(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company have paid the penalty amount.

4.19. The Company has confirmed that there exist adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and advised the company to ensure the compliance of Secretarial Standards.

4.20. It is to be noted that for the Audit Period the following regulations are not applicable:

i. SEBI (Issue and Listing of Debt Securities) Regulations, 2008.

ii. SEBI (Delisting of Equity Shares) Regulations, 2009.

iii. SEBI (Buyback of Securities) Regulations, 1998.

5. We further report that during the audit period, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as provided in Auditors Report for the Reporting Period.

For **DVM & Associates LLP**
Company Secretaries
L2017KR002100

DVM Gopal
Partner
M No: F 6280
CP No: 6798
UDIN: F006280B000593284

Place: Hyderabad
Date: 19.08.2020

Note: This letter is to be read with our letter of even date, which is annexed, and form an integral part of this report.

Annexure

To
The Members
Gati Limited
Hyderabad

Our Report of even date is to be read along with this letter

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on the random test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **DVM & Associates LLP**
Company Secretaries
L2017KR002100

DVM Gopal
Partner
M No: F 6280
CP No: 6798
UDIN: F006280B000593284

Place: Hyderabad
Date: 19.08.2020

Annexure – E

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A) Conservation of Energy:

Your Company continues to be conscious of the environmental impact of our business and continues to improve on its fuel efficiency through various initiatives in this area.

Further, the following measures are implemented continuously by the Company:

1. Vehicles were purchased in compliance with all latest regulations relating to pollution control and Bharat Stage (Euro) norms i.e. BS IV models.
2. Introduced Electric and CNG based vehicles for Last mile delivery.
3. The strict periodical maintenance of Company's vehicles is done as per manufacturer's prescribed norms to ensure optimum fuel consumption & better vehicle maintenance.
4. Vehicles greater than five years old are been phase out and replace new standard BS model vehicles.
5. Drivers' training programs are being organized and conducted periodically to improve their driving skills, safe driving, better vehicle maintenance and improved fuel efficiency of vehicle.
6. Providing DIP i.e., Drivers Information Package which would educate them about Do's and Don'ts, RIC (Route Information card) and also Driver briefing session conducted regularly before departing the vehicle & monitoring through Vehicle Tracking System.
7. A centralized Operations Command Center (OCC) has been built to provide support to vehicles and drivers 24/7, 365 days.

B) Technology Absorption:

During the financial year, your company successfully implemented Two Major Modules namely Customer Contract and Delivery App. using current state of art technologies. Both these modules are transformational for Gati with respect to the processes and also enabling new business opportunities. These two modules were pilot projects and the larger plan is to revamp entire Gati IT landscape. In this regard, three major software companies were short-listed and were invited to study the entire Business & IT requirements to create a future ready Gati and submit a proposal. All the three companies have completed their study successfully and have presented their proposals. A suitable decision would be taken during the coming financial year.

C) Foreign Exchange earnings and outgo:

The particulars of earning and expenditure in foreign exchange during the year are given as follows:

(₹ in mn)

Summary	As at 31st March, 2020	As at 31st March, 2019
Expenditure in foreign currency		
Travelling Expenses	-	1.14
Freight Expenses	63.64	92.84
Earnings in Foreign Currency		
Interest Income	-	-
Freight Income	64.33	137.75

For and on behalf of the Board

Shashi Kiran Shetty
Chairman
DIN: 00012754

Place: Hyderabad
Date: November 04, 2020

Annexure – F

Board Policies

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value systems. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website, at https://www.gati.com/investor-relations/policies/. The policies are reviewed by the Board and updated based on need and new compliance requirements.

Key policies that have been adopted are as follows:

Name of the policy	Brief Description	Web link
Whistleblower Policy (Policy on Vigil mechanism)	The company has adopted a whistleblower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics.	https://www.gati.com/wp-content/uploads/2020/10/GATI-Whistle-Blower-Policy.pdf
Code of Conduct and Ethics	The company has adopted the Code of Conduct and Ethics which forms the foundation of its ethics and compliance program.	https://www.gati.com/investor-relations/code-of-conduct/
Insider Trading Policy	The policy provides the framework in dealing with securities of the company.	https://www.gati.com/wp-content/uploads/2018/07/Code-of-Conduct-to-Regulate-Monitor-and-Report-Trading-by-Insiders-Gati-Ltd..pdf
Policy for determining Materiality for Disclosures	This policy applies to disclosures of material events affecting Gati and its subsidiaries.	https://www.gati.com/pdf/Investors/announcements/PolicyforDeterminationofMateriality.pdf
Nomination and Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive and non-executive) and also the criteria for determining the remuneration of the directors, key managerial personnel and other employees.	https://www.gati.com/wp-content/uploads/2018/08/Remuneration-policy.pdf
Corporate Social Responsibility Policy	The policy outlines the Company's strategy to bring about a positive impact on society through programs relating to hunger, poverty, education, healthcare, environment and lowering its resource footprint.	https://www.gati.com/wp-content/uploads/2015/08/Gati-CSR-Policy.pdf
Policy on Material Subsidiaries	The policy is used to determine the material subsidiaries and material non-listed Indian subsidiaries of the company and to provide the governance framework for them.	https://www.gati.com/pdf/Investors/announcements/Policy-on-material-subsidiaries.pdf
Related Party Transaction Policy	This policy regulates all transactions between the company and its related parties.	https://www.gati.com/pdf/Investors/RP-Policy.pdf
Code of Practices Procedures for Fair Disclosure of UPSI	This Code serves as a guiding charter for all concerned persons associated with the functioning of the company and their dealings in its securities. Further, the Code also seeks to ensure timely and adequate disclosure of Price Sensitive Information to the investor community / other relevant stakeholders, by the company to enable them to take informed decisions with regard to the Company's securities.	https://www.gati.com/wp-content/uploads/2019/04/Code-of-Practices-Procedures-for-Fair-Disclosure-of-UPSI.pdf

Annexure – G

REPORT ON CORPORATE GOVERNANCE

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and the report contains the details of Corporate Governance systems and processes at Gati Limited ('Gati' or 'the Company').

Corporate governance is the set of processes, customs, policies, laws and institutions affecting the way a company is directed, administered or controlled. It is a system of structuring, operating and controlling a company with a view to achieve long term strategic goals to satisfy shareholders, creditors, employees, customers and suppliers.

Corporate governance is based on principles such as conducting the business with all integrity and fairness, being transparent with regard to all transactions, making all the necessary disclosures and decisions, complying with all the laws of the land, accountability and responsibility towards the stakeholders and commitment to conducting business in an ethical manner.

Company's Philosophy

Gati Limited ('Gati' or 'the Company') believes that timely disclosures, transparent accounting policies and a strong and independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust and maximizing long-term corporate value.

The Company's philosophy on Corporate Governance focuses on the attainment of the highest standards of transparency, accountability, ethics and equity with management flexibility, empowerment and responsiveness in the interest of shareholders, customers, employees, business associates and the society at large.

Gati's corporate governance framework is based on the following main principles:

- Appropriate composition and size of the Board;
- Timely flow of information to the members of the Board and Board Committees;
- Well developed systems and processes for risk management and financial reporting;
- Timely and accurate disclosure of all material operational and financial information.

Board of Directors

As on March 31, 2020, the Company has Nine Directors, of the nine Directors, Eight (i.e. 88.8 percent) are Non-Executive Directors out of which Five (i.e. 55.6 percent) are Independent Directors. The profiles of Directors can be found on https://www.gati.com/about-us/management/bod/. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013. The composition of the Board also represents an optimal mix of professionalism, knowledge, experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation. The Board critically evaluates the Company's strategic direction, management policies and their effectiveness.

Name	Category
Mr. K L Chugh (DIN: 00140124)[a]	Non - Executive, Independent Director - Chairman
Mr. Mahendra Agarwal (DIN: 00179779)[b]	Executive, Non - Independent – Managing Director, Founder & CEO (Promoter)
Mr. N Srinivasan (DIN: 00004195)	Non - Executive, Independent Director
Mr. P N Shukla (DIN: 01868580)	Non - Executive, Independent Director
Dr. P S Reddy (DIN: 00608915)[c]	Non - Executive, Independent Director
Dr. Savita Date Menon (DIN: 08528271)[d]	Non - Executive, Independent Director
Mr. Yasuhiro Kaneda (DIN: 07619127)[e]	Non – Executive, Nominee Director
Mr. Shashi Kiran Shetty (DIN: 00012754)[f]	Non – Executive, Non-Independent Director
Mr. Kaiwan Kalyaniwalla (DIN: 00060776)[g]	Non – Executive, Non-Independent Director

Notes:

(a) *w.e.f. July 24, 2020 Mr. K L Chugh was resigned from the Board due to his age, ill health and stressful work environment. Further, it is confirmed that there were no other material reasons for his resignation.*

(b) *w.e.f. September 28, 2020 Mr. Mahendra Agarwal was resigned from the Board pursuant to the Share Purchase Agreement entered by him along with two other Promoter group members ("Sellers") with Allcargo Logistics Limited ("Acquirer") on December 05, 2019.*

(c) *w.e.f. July 08, 2020 Dr. P S Reddy was resigned from the Board due to his personal reasons. Further, it is confirmed that there were no other material reasons for his resignation.*

(d) *w.e.f. October 12, 2020 Dr. Savita Date Menon was resigned from the Board due to the transition of the Company into a new Management. Further, it is confirmed that there were no other material reason for her resignation.*

(e) *Nominee Director being Equity Investor in GKEPL, represents Kintetsu World Express (S) Pte Ltd.*

(f) *Mr. Shashi Kiran Shetty was appointed as an Additional Director on the Board of the Company w.e.f. February 04, 2020. Further, he was also appointed as the Chairman of the Board and Managing Director of the Company w.e.f. July 24, 2020 and November 04, 2020 respectively.*

(g) *Mr. Kaiwan Kalyaniwalla was appointed as an Additional Director on the Board of Company w.e.f. February 04, 2020.*

The composition of Board/Committees can be found on https://www.gati.com/investor-relations/committees-of-the-board/.

Each Director informs the Company on an annual basis about the Board and Board Committee positions he occupies in other companies including Chairmanships and notifies changes periodically and regularly during the term of their directorship in the Company. None of the Directors on the Board hold directorship in more than ten public companies. None of the Independent Directors serve as an Independent Director on more than seven listed companies. None of the Directors of the Company is related to each other. Further, none of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the public companies in which they are Directors.

The number of other directorships, committee chairmanships/ memberships held in other companies by each of the Directors as on March 31, 2020 is tabled below:

Name	**No. of other Directorships and Committee Membership / Chairmanship**			**List of Directorship held in other Listed Entities and Category of Directorship**
	Other Directorships*	**Committee ** **		
		Chairmanship	**Membership**	
Mr. K L Chugh	4	-	-	Sandhar Technologies Limited (Non Executive Independent Director)
Mr. Mahendra Agarwal	8	-	-	TCI Finance Limited (Non Executive Director) Gati Kausar India Limited (Non Executive Director) TCI Industries Limited (Non Executive Director)
Mr. N. Srinivasan	4	1	1	Essar Shipping Limited (Non Executive Independent Director)
Mr. P N Shukla	2	1	1	Gati Kausar India Limited (Non Executive Independent Director)
Dr. P.S. Reddy	1	-	-	-
Mr. Yasuhiro Kaneda	1	-	-	-
Dr. Savita Date Menon	-	-	-	-
Mr. Shashi Kiran Shetty	4	-	1	Allcargo Logistics Limited (Pomoter, Executive Director)
Mr. Kaiwan Kalyaniwalla	8	1	3	Allcargo Logistics Limited (Non-Executive Director) Modern India Limited (Non-Executive, Independent Limited)

* Other directorships do not include Section 8 Companies and companies incorporated outside India.

** Chairmanships / Memberships of Board Committees include only Audit and Stakeholders Relationship Committees.

List of Core Skills/ Expertise/ Competencies required and available with the Board

A chart or matrix setting out the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively are as under :-

Sl. No.	Name of Directors	Skill/ Expertise/ Competancy				
		Finance and Accounting	Corporate Governance and Listing Regulations	Sales, Marketing And Programming	General Administration	Industry experience, Global Business & Business acumen
1.	Mr. K L Chugh	√	√		√	√
2.	Mr. Mahendra Agarwal	√	√	√	√	√
3.	Mr. N. Srinivasan	√	√		√	
4.	Mr. P N Shukla	√	√	√	√	√
5.	Dr. P.S. Reddy		√		√	
6.	Mr. Yasuhiro Kaneda	√			√	√
7.	Dr. Savita Date Menon		√		√	
8.	Mr. Shashi Kiran Shetty	√	√	√	√	√
9.	Mr. Kaiwan Kalyaniwalla		√		√	√

In the above table, specific areas of focus or expertise of individual Board members have been highlighted, however, the absence of a mark against a member's name does not necessarily mean that the member does not possess the corresponding qualification or skill.

Meetings of the Board

The Board of Directors must meet at least four times a year, with a maximum time gap of 120 days between two Board meetings. During the financial year 2019-20, the Board met eleven times: on May 28, 2019, August 02, 2019, September 25, 2019, October 19, 2019, November 05, 2019, November 18, 2019, November 22, 2019, December 05, 2019, January 28, 2020, February 04, 2020 and March 24, 2020. The necessary quorum was present at all the meetings. Video/tele-conferencing facilities were also used to facilitate Directors travelling abroad or at other locations to participate in the meetings. The proceedings of the meetings held through Video Conferencing are duly recorded by the Company.

The below table gives the composition of the Board, their attendance at the board meetings held during the year and at the previous Annual General Meeting held on September 25, 2019 and also the shareholding.

Name	Category and Designation	Attendance particulars		No. of Equity shares
		Board meetings	Last AGM	
Mr. K L Chugh[a]	Independent Director- Chairman	11/11	Yes	--
Mr. Mahendra Agarwal[b]	Founder & CEO	11/11	Yes	15,74,935
Mr. N Srinivasan	Independent Director	10/11	Yes	89,000
Mr. P N Shukla	Independent Director	09/11	Yes	18,000
Dr. P S Reddy[c]	Independent Director	02/11	No	--
Mrs. Sheela Bhide[d]	Independent Director	02/02	N.A.	--
Mr. Sunil Alagh[e]	Independent Director	06/08	No	N.A.
Mr. Yasuhiro Kaneda	Nominee Director	07/11	Yes	--
Mr. Sushil Jiwarajika[e]	Independent Director	05/06	No	N.A.
Dr. Savita Date Menon[f]	Independent Director	07/09	Yes	500
Mr. Shashi Kiran Shetty[g]	Non-Independent Director	1/1	N.A.	N.A.
Mr. Kaiwan Kalyaniwalla[h]	Non-Independent Director	1/1	N.A.	--

Notes:-

(a) *w.e.f. July 24, 2020 Mr. K L Chugh was resigned from the Board due to his age, ill health and stressful work environment. Further, it is confirmed that there were no other material reasons for his resignation.*

(b) *w.e.f. September 28, 2020 Mr. Mahendra Agarwal was resigned from the Board pursuant to the Share Purchase Agreement entered by him along with two other Promoter group members ("Sellers") with Allcargo Logistics Limited ("Acquirer") on December 05, 2019.*

(c) *w.e.f. July 08, 2020 Dr. P S Reddy was resigned from the Board due to his personal reasons. Further, it is confirmed that there were no other material reasons for his resignation.*

(d) *w.e.f. August 04, 2019 Mrs. Sheela Bhide was ceased to be a Director of the Company.*

(e) *w.e.f. December 05, 2019 Mr. Sunil Kumar Alagh and Mr. Sushil Kumar Jiwarajika resigned from the Board due to their personal reasons. Further, it is confirmed that there were no other material reasons for their resignation.*

(f) *w.e.f. October 12, 2020 Dr. Savita Date Menon has resigned from the Board due to the transition of the Company into a new Management. Further, it is confirmed that there were no other material reasons for her resignation.*

(g) *Mr. Shashi Kiran Shetty was appointed as an Additional Director on the Board of the Company w.e.f. February 04, 2020. Further, he was also appointed as the Chairman of the Board and Managing Director of the Company w.e.f. July 24, 2020 and November 04, 2020 respectively.*

(h) *Mr. Kaiwan Kalyaniwalla was appointed as an Additional Director on the Board of Company w.e.f. February 04, 2020.*

Information given to the Board:

The Company provides the following information to the Board and the Board Committees. Such information is submitted either as part of the agenda papers in advance of the meetings or by way of presentations and discussion materials during the meetings.

- Annual operating plans and budgets, capital budgets, updates and all variances;
- Quarterly, Half yearly, Nine months and Annual results of the Company and its subsidiaries;
- Detailed presentations on the business performance of the Company and its material subsidiaries;
- Declaration of dividend;
- Minutes of meetings of the Audit Committee and other Committees;
- Contract in which Directors are interested;
- Update on the significant legal cases of the Company;
- Subsidiary companies minutes, financial statements and significant investments;
- Reviews the compliance reports of all laws applicable to the Company;
- Evaluates the Company's strategic direction, management policies, performance objectives and effectiveness of Corporate Governance practices.

In the path of digitization and with a view to ensure its commitment to Go-Green initiative of the Government, the Company circulates to its Directors, notes for Board/Committee meetings through an electronic platform thereby ensuring high standards of security and confidentiality of Board papers.

Board Support

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the Agenda and convening of the Board and Committee meetings. The Company Secretary attends all the meetings of the Board and its Committees, either in the capacity of Secretary of the Committees or Member of the Committee. The Company Secretary advises / assures the Board and its Committees on Compliance and Governance principles and ensures appropriate recording of minutes of the meetings.

Code of Conduct

The Company has adopted a code of conduct for all Board Members and Designated Senior Management of the Company. The duties of Independent Directors as laid down in the Companies Act, 2013, are incorporated in the Code of Conduct. The Code of Conduct is available on the website of the Company i.e. https://www.gati.com/investor-relations/code-of-conduct/. All Board members and senior management personnel have affirmed compliance with the code of conduct. A declaration signed by the Chairman to this effect is annexed at the end of this report.

Appointment and Tenure of Directors

The Directors of the Company are appointed / re-appointed by the Board on the recommendations of the Nomination and Remuneration Committee and approval of the Members at the General Meetings. In accordance with the Articles of Association of the Company, all Directors, except the Promoter Director and Independent Directors of the Company, are liable to retire by rotation at the AGM each year and, if eligible, offer themselves for re-election.

As regards the appointment and tenure of the Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Companies Act, 2013 and the Listing Regulations. The Company has also received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and Listing Regulations.
- The Independent Directors will serve a maximum of two terms of five years each, after the introduction of the Companies Act, 2013.
- The Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by provisions of the Companies Act, 2013 and the Listing Regulations.
- In accordance, with the recently notified changes in the Listing Regulations, the Company shall ensure that the appointment of any Non-Executive Director who has attained the age of 75 years is approved by the Members by way of a Special Resolution.

Declaration by Independent Directors

The Company has on its Board, eminent Independent Directors who have brought in independent judgement to Board's deliberations including issues of strategy, risk management and overall

governance. They have played a pivotal role in safeguarding the interests of all stakeholders.

The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and have confirmed that they do not hold directorship more than the prescribed limit in the Listing Regulations. The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 read with the Rules issued thereunder.

Separate meetings of the Independent Directors

Schedule IV of the Companies Act, 2013, Listing Regulations and Secretarial Standard - 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of non – Independent Directors. During the financial year 2019-20, a separate meeting of the Independent Directors which was scheduled to be held on the last week of the March, 2020 could not be convened on account of the nationwide lockdown. Further, also the Ministry of Corporate Affairs vide its general circular no. 11/2020 dated March 24, 2020 give relaxation respect to the holding of the Independent Directors meeting during the financial year 2019-20.

Familiarisation programmes to Independent directors

The Board familiarization programme comprises the following:-

- Induction Programme for new Independent Directors;
- Immersion sessions on business and functional issues;

All new Independent Directors are taken through a detailed induction and familiarisation programme when they join the Board of your Company. The induction programme is an exhaustive one that covers the history and culture of company, background of the Company and its growth over the last several decades, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

As part of the induction sessions, the Managing Director and CEO provides an overview of the Organisation its history, culture, values and purpose. The Business and Functional Heads take the Independent Directors through their respective businesses and functions. The Independent Directors are exposed to the constitution, Board procedures, matters reserved for the Board and major risks facing the business and mitigation programmes. The Independent Directors are made aware of their roles and responsibilities at the time of their appointment and a detailed Letter of Appointment is issued to them.

In the Board Meetings, immersion sessions deal with different parts of the business and bring out all facts of the business besides the shape of the business. These immersion sessions provide a good understanding of the business to the Independent Directors. Similar immersion sessions are also convened for various functions of the Company. These sessions are also an opportunity for the Board to interact with the next level of management. To make these sessions meaningful and insightful, pre-reads are circulated in advance. There are opportunities for Independent Directors to interact amongst themselves every quarter.

The details of programs for familiarization of the Independent Directors are available on the Company's website and can be accessed through the web link: https://www.gati.com/investor-relations/familiarization-programmes/

Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation; which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Chairman of the respective Committees informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

The Company has five Board-level Committees, namely:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee
5. Investment & Risk Management Committee

Audit Committee:

The management is responsible for the Company's internal controls and the financial reporting process while the statutory auditors are responsible for performing independent audits of the Company's financial statements in accordance with generally accepted auditing practices and for issuing reports based on such audits. The Board of Directors has constituted and entrusted the Audit Committee with the responsibility to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. The constitution of the Audit Committee also meets with the requirements of Section 177 of the Companies Act, 2013 and Listing Regulations.

The primary responsibilities of the Audit Committee are to:

i. overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement are correct, sufficient and credible;

ii. reviewing and examining with management the quarterly and annual financial results and the auditors' report thereon before submission to the Board for approval;

iii. reviewing the Management Discussion and Analysis of the financial condition and result of operations;

iv. reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems;

v. formulating in consultation with the Internal Auditor, the scope, functioning, periodicity and methodology for conducting the internal audit;

vi. reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;

vii. evaluating internal financial controls and risk management systems;

viii. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process; reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;

ix. recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;

x. Ensure that adequate safeguards have been taken for legal compliance for the Company;

xi. reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;

xii. reviewing the functioning of the Whistle Blowing mechanism.

xiii. any other matter referred to by the Board of Directors.

The Audit Committee comprises of Independent Directors and Non-Executive Directors as on March 31, 2020. All members of the Audit Committee are financially literate and bring in expertise in the fields of finance, economics, strategy and management.

During the financial year 2019-20, the Audit Committee met seven times viz., on May 28, 2019, August 02, 2019, September 25, 2019, November 05, 2019, November 18, 2019, December 05, 2019 and February 04, 2020. The below table gives the composition and attendance record of the Audit Committee.

S. No	Name	Position	Number of meetings during the financial year	
			Held	Attended
1	Mr. N Srinivasan	Chairman	7	7
2	Mr. P N Shukla*	Member	3	3
3	Dr. P S Reddy	Member	7	1
4	Dr. Savita Date Menon#	Member	1	1

* Ceased to be a Member of the Committee w.e.f. October 17, 2019.

Appointed as a Member of the Committee w.e.f. December 31, 2019.

The Audit Committee invites such of the executives, as it considers appropriate, Statutory Auditors and Internal Auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee. The Audit Committee also meets the Statutory Auditors and Internal Auditors separately, without the presence of management representative.

Mr. N Srinivasan, Chairman of the Audit Committee has attended the previous Annual General Meeting held on September 25, 2019.

Nomination & Remuneration Committee:

The Board has constituted Nomination & Remuneration Committee consisting of 2 Independent Directors and One Non-Independent Director. The terms of reference of the Committee cover evaluation of compensation and benefits for Executive Director(s), Non-Executive Director(s), Senior Management Employees, framing of policies and systems of the Employee Stock Option Scheme and looking after the issues relating to major HR policies.

During the financial year 2019-20, the Committee met three times i.e., on May 28, 2019, August 02, 2019 and February 04, 2020. The below table gives the composition and attendance record of the Nomination & Remuneration Committee.

S. No	Name	Position	Number of meetings during the financial year	
			Held	Attended
1	Dr. P S Reddy*	Chairman	2	0
2	Mr. P N Shukla#	Chairman	3	3
3	Mr. K L Chugh	Member	3	3
4	Mr. Yasuhiro Kaneda$	Member	1	1

* Mr. P S Reddy ceased to be a Member of the Committee w.e.f. October 17, 2019.

Mr. P N Shukla becomes the Chairman of the Committee w.e.f. October 17, 2019.

$ Mr. Yasuhiro Kaneda becomes the Member of the Committee w.e.f. October 17, 2019.

The Company Secretary of the Company act as the secretary of the Committee.

Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Companies Act, 2013, Listing Regulations and the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the Chairman of the Company and the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

Remuneration policy

The Nomination & Remuneration Policy of your company is available on the website of the company i.e. https://www.gati.com/investor-relations/policies/

Directors Remuneration

The remuneration paid/payable to the Directors is given below:

a) Executive Director: - NIL

b) Non-Executive Directors: -

The Sitting fee and commission payable to the Non-Executive Directors during the year under review is in conformity with the applicable provisions of the Companies Act, 2013 and duly considered and approved by the Board and the shareholders.

The details of sitting fee paid to the Non-Executive Directors during the financial year 2019-20 and proposed commission are as follows:

Name	Sitting fee (₹)	Commission (₹)
Mr. K L Chugh	6,10,000	5,00,000
Mr. N Srinivasan	7,30,000	3,50,000
Mr. P N Shukla	6,20,000	2,50,000
Dr. P S Reddy	1,30,000	2,50,000
Ms. Sheela Bhide[a]	70,000	2,50,000
Mr. Sunil Alagh[b]	3,90,000	2,50,000
Mr. Yasuhiro Kaneda	---	2,50,000
Mr. Sushil Kumar Jiwarajka[b]	2,50,000	---
Dr. Savita Date Menon	3,50,000	---
Mr. Shashi Kiran Shetty	---	---
Mr. Kaiwan Kalyaniwalla	---	---
TOTAL	**31,50,000**	**21,00,000**

Notes:-

(a) w.e.f. August 04, 2019 Mrs. Sheela Bhide was ceased to be a Director of the Company.

(b) w.e.f. December 05, 2019 Mr. Sunil Kumar Alagh and Mr. Sushil Kumar Jiwarajika were resigned from the Board due to his personal reasons. Further, it is confirmed that there were no other material reasons for their resignation.

No Commission for the financial year 2019-20 will be paid to the Directors.

Other than above, there are no pecuniary or business relationship between the Non-Executive Directors and company and also between all the Directors.

Stakeholders Relationship Committee:

The Stakeholders Relationship Committee is empowered to perform the functions of the Board relating to handling of stakeholders' queries and grievances. It primarily focuses on:

i. Consider and resolve the grievances of shareholders of the Company with respect to transfer & transmission of shares, non-receipt of annual report, non-receipt of declared dividend, etc;

ii. Evaluate performance and service standards of the Registrar and Share Transfer Agent of the Company;

iii. Provide guidance and make recommendations to improve investor service levels for the investors.

iv. Any other matter referred to by the Board of Directors.

The Committee consists of three Directors viz., Dr. Savita Date Menon, Chairperson w.e.f. December 31, 2019 and Mr. Mahendra Agarwal, Member & Mr. P. N. Shukla, Member w.e.f. October 17, 2019. During the financial year 2019-20, the Stakeholders' Relationship Committee met once viz., on March 20, 2020 and all the members eligible to attend the meeting were present for the meeting.

The Company Secretary of the Company act as the secretary of the Committee and also designated as Compliance Officer.

In order to expedite the process of transfers of shares, transmission of shares etc. the Board has delegated the powers to certain officers of the Company.

An analysis of the investor complaints received and redressed during the financial year 2019-20 is given below:

Sl. No.	Nature of Complaint	Received	Disposed	Pending	Not resolved to the satisfaction of shareholders
1	Non receipt of dividend warrants	81	81	Nil	Nil
2	Non receipt of Annual Report	28	28	Nil	Nil
3	Non-receipt of stock split shares	18	18	Nil	Nil

Name, designation and address of Compliance Officer:

Mrs. T.S. Maharani
Company Secretary, Chief Investor Relations & Compliance Officer
Plot no. 20, Survey no.12
Kothaguda, Kondapur, Hyderabad – 500 084
Tel: +91 040 7120 4284, Fax: +91 040 2311 2318
Email: investor.services@gati.com, Website: www.gati.com

The company obtains half yearly certificate from a company Secretary in Practice under Regulation 40(9) of the Listing Regulations, confirming the issue of certificates for transfer, sub-division, consolidation etc. and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(10) of the Listing Regulations. Further, the compliance certificate under Regulation 7(3) of the Listing Regulations, confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent registered with the Securities and Exchange Board of India is also filed with Stock Exchanges on a half yearly basis.

In accordance with Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No. D&CC/FITTC/Cir- 16/2002 dated December 31, 2002, a qualified practicing company secretary carried out a share capital audit to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital. The Audit Report confirms that the total issued and paid-up share capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Corporate Social Responsibility Committee (CSR):

Corporate Social Responsibility (CSR) is an integral part of our culture and constantly seeks opportunities to give back to the society and hope to make a difference to the lives of people by sharing our business success with them.

The main objective of the CSR Policy is to lay down guidelines and also make CSR as one of the key business drivers for sustainable development of the environment and the society in which GATI operates in particular and the overall development of the global community at large.

The role of the Corporate Social Responsibility Committee is as follows:

i. Formulating and recommending to the Board the CSR Policy and activities to be undertaken by the company;

ii. Recommending the amount of expenditure to be incurred on CSR activities of the company;

iii. Reviewing the performance of the Company in the area of CSR;

iv. Providing external and independent oversight and guidance on the environmental and social impact of how the company conducts its business;

v. Monitoring CSR policy of the company from time to time;

vi. Monitoring the implementation of the CSR projects or programs or activities undertaken by the company.

vii. Any other matter referred to by the Board of Directors.

The CSR Committee comprises of three Directors viz., Mr. Mahendra Agarwal, Chairman, Dr. Savita Date Menon, Member and Dr. P S Reddy, Member as on March 31, 2020.

The Company Secretary of the Company act as the secretary of the Committee.

During the financial year 2019-20, the CSR Committee met once i.e. on May 21, 2019 and all the members were present for the meeting, except Dr. P S Reddy.

The details of the CSR initiatives as per the CSR Policy of the Company forms part of the CSR Section in the Annual Report.

The Company had plans to spend the money in this financial year, and Projects submitted by different CSR partners to the Company were considered and the company could implement very minimal activities during the year and planned to execute in phased manner by the financial year end based on the improvement of the cash flow position of the Company. Additionally the COVID-19 crisis and sudden lock down all over the country, impacted the business operations of the Company and thereby the identified projects could not be taken up any further.

Investment & Risk Management Committee:

The Investment Committee entirely comprises of three Directors viz., Mr. N Srinivasan, Chairman, Mr. P. N. Shukla, Member and Mr. Yasuhiro Kaneda, Member.

During the financial year under review the name of the Investment Committee was changed to Investment & Risk Management Committee w.e.f. October 17, 2019.

The Main objective of the Investment Committee is to assist the Board and the Company in overseeing acquisitions, investments and disinvestment made by the Company and to provide oversight on key financial policies of the Company.

During the year, Investment Committee met one time on May 28, 2019 and all the members of the committee were present in the meeting.

General Body Meetings

(a) Annual General Meeting:

Year(s)	Date of AGM	Time	Venue	No. of Special resolutions passed
2018-19	September 25, 2019	12:00 Noon	Plot No. 20, Survey No. 12, Kothaguda, Kondapur, Hyderabad, Telangana – 500 084	5
2017-18	September 18, 2018	3.00 P.M	Plot No. 20, Survey No. 12, Kothaguda, Kondapur, Hyderabad, Telangana – 500 084	0
2016-17	August 1, 2017	5.00 P.M	Hotel Radisson, Hyderabad Hitech city, Gachibowli, Miyapur Road, Hyderabad, Telangana – 500 032	1

(b) Extraordinary General Meeting:

During the year under review, Pursuant to Section 62(1)(c) of the Companies Act, 2013 and as per the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Members of the Company approved the raising of funds by way of issuance of equity shares on preferential basis through Special resolution at the Extra-ordinary General Meeting held on January 07, 2020. The voting pattern of the same was as follows:

Year(s)	Date of AGM	Time
1	Total No. of Members responded	242
2	Total No. of Votes / Shares received	5,37,91,032
3	Total No. of Valid Votes/Shares	5,37,89,100 (100.00%)
4	Resolution Voting:	
No. of votes/shares received for the resolution (%)	**No. of votes/shares received against the resolution (%)**	**Neutral/Invalid/Abstain votes**
4,70,83,046 (87.5327%)	67,06,054 (12.4673%)	1,932
No. of Shareholders voted for the resolution	**No. of Shareholders Voted against the resolution**	**No. of Shareholders Votes Neutral/Invalid/ Abstain**
220	12	10

The Company followed the procedure for conducting Extra-ordinary General Meeting as per the provisions of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014. The Scrutinizer submitted his report to the Chairman stating that the resolution have been duly passed with the requisite majority.

(c) Postal Ballot:

No Postal Ballot was conducted during the year under review.

Disclosures

i. Disclosures on materially significant related party transactions, which may have potential conflict with the interest of the Company at large:

There are no material related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company i.e., https://www.gati.com/investor-relations/policies/.

ii. There were no penalties, and strictures imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last three years except the following:

Sl. No.	Action taken by	Details of violation	Details of action taken E.g. fines/penalty	Action taken by the Company
1	BSE Limited	Non-appointment of Compliance officer under Regulation 6(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Imposing of fine of ₹ 37,760 including GST, during the financial year 2019-20.	Company was paid the same to BSE Limited on time.
2	National Stock Exchange of India Limited	Non-appointment of Compliance officer under Regulation 6(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Imposing of fine of ₹ 37,760 including GST, during the financial year 2019-20.	Company was paid the same to National Stock Exchange of India Limited on time.

Further, as per the Annual Secretarial Compliance Report issued by M/s. DVM & Associates LLP, the following non compliances were observed by them during the year:

Sl. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Compliance Officer	Delay in filing the vacancy of Compliance Officer	After the resignation of Company Secretary and Compliance Officer on December 31, 2018, the Company appointed the Compliance Officer as per the Reg 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on 02.08.2019.
2	Reg 24(1)- Common Independent Director on the Board of the unlisted material subsidiary	Vacancy of common Independent Director in the unlisted material subsidiary w.e.f. 05.12.2019	Company has not appointed common Independent Director in the unlisted material subsidiary, Gati-Kintetsu Express Private Limited after the resignation of Independent Director on the Board of the Company w.e.f. 05.12.2019.

iii. Whistle blower policy:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of Listing Regulations for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the audit committee. The Vigil Mechanism Policy is available on the website of the Company i.e., https://www.gati.com/investor-relations/policies/.

iv. The Company has complied with all mandatory requirements of Listing Regulations.

v. Subsidiary Companies:

The Board of Directors has reviewed the financial statements and minutes of the Board meetings of Gati Kintetsu Express Private Limited (GKEPL), the materially unlisted subsidiary company. Mr. M P Bansal, Independent Director of the Company is also on the Board of Gati-Kintetsu Express Private Limited w.e.f. October 05, 2020. The policy for determining 'material' subsidiaries is available on the website of the Company i.e., https://www.gati.com/investor-relations/policies/. Further, the Board of Directors has also reviewed the financial statements and minutes of the board meetings of all other subsidiary companies of the company.

vi. Disclosure of commodity price risks and commodity hedging activities: Not Applicable.

vii. The Company is preparing its financial statements in line with the Ind AS issued by the Institute of Chartered Accountants of India.

viii. During the year Company has raised ₹ 100,00,00,500/- through preferential issue by issuing and allotting 1,33,33,340 Fresh Equity Shares of the Company of face value of ₹ 2/- each for cash at a price of ₹ 75/- (including premium of ₹ 73/- per Equity Shares) to Allcargo Logistics Limited. Details of utilization of funds raised through preferential allotment as specified under Regulation 32(7A) of the Listing Regulations are given below:-

Object of the Issue as per Extra-ordinary General Meeting Notice	Utilization of Funds up to March 31, 2020 (In ₹)	Unutilized amount as at March 31, 2020 (In ₹)
(i) to repay debt	23,01,00,000	76,99,00,500
(ii) to meet working capital requirement		
(iii) General Corporate Purpose		

*The Unutilized amounts of the issue as at March 31, 2020 have been temporarily deployed in fixed deposit / current deposit with Scheduled Banks.

ix. Total Fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part is given below:

Type of Service	Amount in Mn.
Audit Fees	4.3
Tax Audit	1.2
Certification and other Fees	3.3
Total	**8.8**

x. Certificate from M/s. DVM & Associates LLP, Practising Company Secretaries that none of the directors on the board have been debarred or disqualified from being appointed or continuing as directors of Companies by the Board/ Ministry of Corporate Affairs or any such authority is attached.

xi. During the financial year 2019-20, No complaints of sexual harassment was received by the Company.

xii. During the Financial Year 2019-20, Board had accepted all the recommendation of committees of the Board.

Details of compliance with mandatory requirements

The Company has complied with all mandatory requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of regulation 46 of Listing Regulations.

Non-Mandatory Requirements

Audit qualification

During the year under review, there is an audit qualification on the company's financial Statements, which has been adequately explained in the director's report.

Reporting of Internal Auditor

The Internal Auditor reports to the President - Finance and has direct access to the Audit Committee and he participates in the meetings of the Audit Committee of the Board of Directors of the Company and presents his internal audit observations to the Audit Committee.

CEO and CFO Certification:

The Chief Executive Officer and the Chief Financial Officer of the Company gave certification on financial reporting and internal controls for the financial year 2019-20 to the Board of Directors at their meeting held on November 04, 2020, as required under Regulation 17(8) of Listing Regulations.

Means of Communication

i. Publication of results

The quarterly, half-yearly & nine months un-audited financial results and annual audited results of the Company were generally published in National level English newspaper(s) as well as regional language newspaper circulating in the state of Telangana.

ii. Website and News Release

The quarterly, half-yearly & nine months un-audited financial results and annual audited results are available on the website of the Company i.e. "www.gati.com". Official news releases, detailed presentations made to media, analysts, etc are available on the website of the Company i.e. www.gati.com. Your Company also makes timely disclosures of necessary information to BSE Limited and National Stock Exchange of India Limited in terms of the Listing Regulation and other rules and regulation issued by the Securities and Exchange Board of India.

Further following information is available on the website of the Company i.e. www.gati.com:

- Details of business of the Company;
- Terms and conditions of appointment of Independent Directors;
- Composition of various Committees of Board of Directors;
- Code of Conduct for Board of Directors and Senior Management Personnel;
- Details of establishment of vigil mechanism/ Whistle Blower policy;
- Criteria of making payments to Non-Executive Directors;
- Policy on dealing with Related Party Transactions;
- Policy for determining 'material' subsidiaries;

- Details of familiarization programs imparted to Independent Directors;
- Policy for determination of materiality of events.

NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

E-voting

Pursuant to the requirements of the Companies Act, 2013, and the Listing Regulations, company is providing e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at the General Meetings.

Additional Shareholders' Information

Annual General Meeting:

Date: December 28, 2020.

Time: 3:00 PM

Mode of Meeting: Video Conferencing/Other Audio-Visual Means

Deemed Venue: Registered Office of the Company situated at Plot No. 20, Survey No. 12, Kothaguda, Kondapur, Hyderabad, Telangana – 500 084.

Financial Calendar

Financial Year - 1st April to 31st March

Tentative calendar for declaration of financial results in Financial Year 2020-21

Results for the quarter ended June 30, 2020	on or before September 15, 2020
Results for the quarter ended September 30, 2020	on or before November 14, 2020
Results for the quarter ended December 31, 2020	on or before February 14, 2021
Results for the year ended March 31, 2021	on or before May 30, 2021

Record date/Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, December 22, 2020 to Monday, December 28, 2020 (both days inclusive).

Dividend

The Board of Directors at their meeting held on May 28, 2019, recommended a final dividend of ₹ 0.80/- per share (40%) on equity shares of ₹ 2/- each for the Financial Year ended March 31, 2019 and the same was approved by the Shareholders at the 24th Annual General Meeting held on September 25, 2019. Further, In view of the loss incurred by the Company during the year, the Directors do not recommend any dividend on the equity shares of the Company for the financial year ended March 31, 2020.

Credit Rating

During the Financial Year 2019-20, Care Ratings Limited has revised two times the credit ratings of the Company vide its letter dated August 20, 2019 and November 21, 2019 has downgraded the credit rating of the Company as follows:

Facilities/ Instruments	Amount (In Crs)	Revised Rating (August 20, 2019)	Remarks
Long Term Bank Facilities	173.02	Care BBB; Negative	Downgraded from Care BBB; Stable
Short Term Bank Facilities	5.00	Care A3	Downgraded from Care A3+
Medium Term Fixed Deposits	50.00	Care BBB; Negative	Downgraded from Care BBB; Stable

Facilities/ Instruments	Amount (In Crs)	Revised Rating (November 21, 2019)	Remarks
Long Term Bank Facilities	138.43	Care BB+; Stable	Downgraded from Care BBB; Negative
Short Term Bank Facilities	5.00	Care A4+	Downgraded from Care A3
Medium Term Fixed Deposits	50.00	Care BB+; Stable	Downgraded from Care BBB; Negative

Unpaid/Unclaimed Dividends:

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF") set up by the Central Government. Accordingly, the company has transferred to IEPF following unpaid or unclaimed dividends pertaining to the financial year 2019-20 as under:

Particulars	Amount of Dividend (in Rs)
Interim Dividend for the Financial Year 2011-12	6,56,624/-
Final Dividend for the Financial Year 2011-12	6,45,719/-

Further, the Company is in the process of transferring the corresponding shares which could not be transferred as per the requirement of IEPF rules due to technical glitch and lockdown in the nation as an impact of Covid-19.

The shareholders are requested to verify their records and claim their unclaimed dividends for the past years, if not claimed. The details of outstanding dividend accounts are given below.

Sl. no	Dividend for the year	Dividend %	Date of declaration	Due date for transfer
1	2012-13 : Final	30	06.11.2013	05.12.2020
2	2013-14 : Final	35	05.08.2014	04.09.2021
3	2014-15: Interim	30	05.12.2014	04.01.2022
4	2014-15: Final	40	30.07.2015	28.08.2022
5	2015-16: Final	50	04.08.2016	03.09.2023
6	2016-17: Final	40	01.08.2017	31.08.2024
7	2017-18: Final	45	18.09.2018	17.10.2025
8	2018-19: Final	40	25.09.2019	24.09.2026

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 25, 2019 (date of last AGM) on the Company's website i.e., https://www.gati.com/investor-relations/unclaimed-dividend-details/ and on the website of the Ministry of Corporate Affairs at www.iepf.gov.in/.

Unclaimed Equity Shares:

Section 124(6) read with the 'Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016' ('Rules'), as amended, requires that all shares, in respect of which dividend has not been claimed for seven consecutive years or more (relevant shares), shall be transferred by the Company in the name of IEPF along with statement containing such details as may be prescribed by the authority from time to time. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining transfer of the shares.

The Company is in the process of transferring the corresponding shares which could not be transferred as per the requirement of IEPF rules due to technical glitch and lockdown in the nation as an impact of Covid-19.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company i.e. https://www.gati.com/investor-relations/unclaimed-dividend-details/.

Guidance for Investor to file claim

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company/Registrar & Share Transfer Agent, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred. Further, the Shareholders/claimant can file only one consolidated claim in a financial year as per the rules.

Unclaimed Shares as per Regulation 39 of the Listing Regulations.

As per the provisions of Regulation 39 of the Listing Regulations, the unclaimed shares lying in the possession of the Company are required to be dematerialized and transferred into a special Demat account held by the Company. The Company has already sent three reminders to the shareholders for Claiming those shares at their latest available address(es) with the Company or Depository, as the case may be. Accordingly, unclaimed shares lying with the Company have been transferred and dematerialized in a `Gati Limited - Unclaimed Suspense Account` of the Company. This Account is being held by the Company purely on behalf of the shareholders entitled for these shares.

It may also be noted that all the corporate benefits accruing on these shares like bonus, split etc., if any, shall also be credited to the said `Unclaimed Suspense Account` and the voting rights on these shares shall remain frozen until the rightful owner has claimed the shares. Shareholders who have not yet claimed their shares are requested to immediately approach the investor service Department of the Company or Registrar & Share Transfer Agent of the Company by forwarding a request letter duly signed by all the shareholders furnishing their complete postal address along with PIN code, a copy of PAN card & proof of address, and for delivery in demat form, a copy of Demat Account - Client Master Report duly certified by the Depository Participant (DP) and a recent Demat Account Statement, to enable the Company to release the said shares to the rightful owner.

The status of equity shares lying in the Suspense Account as on March 31, 2020 is as under:

Sl. No.	Particulars	No. of shareholders	No. of equity shares held
1	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	12	1325
2	Number of shareholders who approached the Company (with complete documentation) for transfer of shares from the Unclaimed Suspense Account during the year	0	0
3	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year;	0	0
4	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year	12	1325

The dividend on the shares in the Unclaimed Suspense Account will be remitted to the Shareholders on their claiming the shares, till such time, that dividend will be available in the Unpaid Dividend Bank Account.

Code of Conduct for prohibition of Insider trading

Your company had adopted a Code of conduct as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. All Directors, Senior Management Personnel, person forming part of Promoter(s)/Promoter(s) Group(s) and such other Designated persons who could have access to the Unpublished Price Sensitive Information of the Company are governed by this Code. During the year under review, the Company had made due compliance with Securities and Exchange Board of India (Prohibition of Insider trading) Regulations, 2015. The code of conduct is available on the website of the Company i.e. www.gati.com.

Listing on Stock Exchanges

The Company's shares are listed on BSE Limited (BSE), Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 and The National Stock Exchange of India Limited (NSE), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

The listing fee for the financial year 2019-20 has been paid to all the above stock exchanges.

Stock Code:

a) Trading scrip code on BSE : 532345

b) Trading scrip code on NSE : GATI

International Securities Identification Number (ISIN):

ISIN is a unique identification number of traded scrip. The Company's ISIN for equity shares is INE152B01027.

Market Price Data

The Monthly high and low prices of your company's share at BSE and NSE for the year ended March 31, 2020 are as under:

Month	NSE		BSE	
	High	Low	High	Low
Apr-2019	91.25	77.50	91.20	77.25
May-2019	87.25	73.00	88.00	72.00
Jun-2019	77.75	52.70	78.00	52.00
Jul-2019	74.80	52.05	74.85	50.00
Aug-2019	54.75	35.15	54.75	35.50
Sep-2019	59.25	39.00	59.20	39.10
Oct-2019	62.70	51.00	62.60	50.95
Nov-2019	65.80	56.05	65.70	56.25
Dec-2019	68.50	55.10	68.45	55.15
Jan-2020	71.90	57.20	75.00	57.30
Feb-2020	69.85	65.45	69.90	65.55
Mar-2020	68.65	42.80	68.60	43.00

Share price performance in comparison to broad based indices - BSE & NSE

Particulars	Gati share price v/s NSE		Gati share price v/s BSE	
	Share price(₹)	NSE Nifty	Share price(₹)	BSE Sensex
As on April 1, 2019	87.80	11669.15	87.15	38871.87
As on March 31, 2020	48.95	8597.75	48.95	29468.49
Changes (%)	-44.25%	-26.32%	-43.83%	-24.19%

Total equity as on March 31, 2020 was 12,19,45,977 (previous year 10,85,42,137) equity shares of Rs.2/- each.

Share Transfer System

All queries and requests relating to share transfers/transmissions may be addressed to our Registrar and Transfer Agent:

Link Intime India Private Limited

C -101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400 083
Maharashtra
Tel. No.:- +91 22 49186270
E-mail:- rnt.helpdesk@linkintime.co.in
Website:- www.linkintime.co.in

A summary of approved transfers, transmissions, deletion requests, etc. are placed before the Board of Directors from time to time as per the Listing Regulations.

Dematerialization of Shares and liquidity

Break up of shares in physical and demat form as on March 31, 2020:

Particulars	No. of Shares	%
Physical Segment (A)	8,85,441	0.73
Demat Segment (B)		
NSDL	7,84,96,560	64.37
CDSL	4,25,63,976	34.90
Total (A+B)	**12,19,45,977**	**100.00**

The Securities and Exchange board of India (SEBI) at its Board Meeting held on March 28, 2018 revised the provisions relating to transfer of listed securities and decided that requests for effective transfer of listed securities shall not be processed unless the securities are held in the dematerialized form with a depository participant. The said measure of SEBI is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities only in demat form will improve ease, convenience and safety of transactions for investors. The said amendment got notified and is effective from April 1, 2019.

Shareholders who continue to hold shares in physical form are advised to dematerialize their shares at the earliest. For any clarification, assistance or information, relating to dematerialization of shares the Company's RTA may be contacted.

Secretarial Audit

The Company has undertaken secretarial audit for the financial year 2019-20 which, inter alia, includes audit of compliance with the Companies Act, 2013 and the rules made under the Companies Act, 2013, Listing Regulations and applicable regulations prescribed by the Securities and Exchange Board of India and Foreign Exchange Management Act, 1999 and Secretarial Standard issued by the Institute of the Company Secretaries of India. The Secretarial Audit Report forms part of the Annual Report.

Distribution of equity shareholding as on March 31, 2020:

No. of shares		No. of account	% of total account	No. of shares	% to Total shares
Upto	5,000	90812	97.97	2,01,32,449	16.51
5,001	10,000	1095	1.18	39,92,177	3.27
10,001	20,000	411	0.44	30,36,451	2.49
20,001	30,000	115	0.12	14,33,392	1.18
30,001	40,000	61	0.07	11,08,313	0.91
40,001	50,000	22	0.02	4,94,032	0.41
50,001	1,00,000	55	0.06	19,18,203	1.57
1,00,001	And above	118	0.13	8,98,30,960	73.66
TOTAL		**92689**	**100.00**	**12,19,45,977**	**100.00**

Categories of equity shareholding as on March 31, 2020:

Sl. no	Category	No. of equity shares held	% of holding
1	Company Promoter / Promoter group	9507267	7.80
2	Foreign Institutional Investors	8762346	7.18
3	Banks / Mutual Funds / NBFC	346727	0.28
4	Bodies Corporate	41237293	33.82
5	Individuals / HUF	40536935	33.24
6	Non Resident Indians	1677133	1.37
7	Foreign Corporate Bodies	11214449	9.20
8	IEPF	499378	0.41
9	Clearing Members / Trusts	8057089	6.61
10	Foreign Nationals	360	0.00
11	Directors	107000	0.09
	TOTAL	**121945977**	**100.00**

Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity

There are no GDRs/ ADRs/ Warrants or any other convertible instrument outstanding as on March 31, 2020.

Plant Location: None

Address for Correspondence

All Members' correspondence should be forwarded to Link Intime India Private Limited, the Registrar and Transfer Agent of the Company or to the Investor Service Department at the Registered Office of the Company at the addresses mentioned below.

Link Intime India Private Limited
(Unit Gati Limited)
C -101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400 083
Maharashtra
Toll-free No.: 1800 1020 878
Fax: 022 4918 6060
E-mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Gati Limited
Corporate Compliance Department
Plot no.20, Survey no.12
Kothaguda, Kondapur
Hyderabad – 500 084
Tel: 040 7120 4284
Fax: 040 2311 2318
E-mail: investor.services@gati.com
website: www.gati.com

SEBI Complaints Redress System (SCORES):

The investors' complaints are also being processed through the centralized web base complaint redressal system of SEBI. The salient features of SCORES are availability of centralized database of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the action taken and current status of the complaints.

Declaration

As provided under regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for Board of Directors and Senior Management for the year ended March 31, 2020.

For **Gati Limited**

Shashi Kiran Shetty
Chairman
DIN: 00012754

Place: Hyderabad
Date: November 04, 2020

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Gati Limited,

We have examined the compliance of conditions of Corporate Governance by M/s. Gati Limited ("the company") for the year ended March 31, 2020, as per the provisions of regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated above. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restrictions on Use

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For **DVM & Associates LLP**
Company Secretaries
L2017KR002100

DVM Gopal
Partner
M. No. F6280
CP No. 6798
UDIN: F006280B000604482

Place: Hyderabad
Date: 19.08.2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Gati Limited
Plot No. 20, Survey No. 12,
Kothaguda, Kondapur
Hyderabad TG 500084

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gati Limited having CIN L63011TG1995PLC020121 and having registered office at Plot No. 20, Survey No. 12, Kothaguda, Kondapur, Hyderabad TG 500084 (hereinafter referred to as 'the Company'), and produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications of the Company Records, (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Mahendra Kumar Agarwal	00179779	25/04/1995
2	Mr. Pesara Sudhakar Reddy	00608915	25/04/1995
3	Mr. Krishan Lal Chugh	00140124	30/06/1998
4	Mr. Srinivasan Natesan	00004195	18/10/2000
5	Mr. Prabhu Shukla Narain	01868580	19/10/2012
6	Mr. Yasuhiro Kaneda	07619127	04/11/2016
7	Mrs. Savita Date Menon	08528271	02/08/2019
8	Mr. Shashi Kiran Janardhan Shetty	00012754	04/02/2020
9	Mr. Kaiwan Dossabhoy Kalyaniwalla	00060776	04/02/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **DVM & Associates LLP**
Company Secretaries
L2017KR002100

DVM Gopal
Partner
M No: F 6280
CP No: 6798
UDIN: F006280B000604451

Place: Hyderabad
Date: 19.08.2020

Management Discussion & Analysis

Indian Economy Review

The Indian economy is valued at USD 2.9 trillion in 2019 making it the 5th largest economy in the world in terms of GDP[1]. The country witnessed an economic slowdown, thereby lowering the GDP rate to an estimated 4.2% for FY19-20[2]. The softening growth can be attributed to various internal as well as external factors such as a slowdown in global economic activities, reduction in private consumption expenditure and tighter credit conditions weighing on manufacturing and investments. Along with this, weak income growth and rising unemployment also undermined consumer sentiment. India's exports too were affected due to rising global trade tensions, as inflation touched 7.35% in the month of December 2019.

Despite the slowdown, the country has improved its ranking in World Bank's 'Doing Business' report and occupied the 63rd position in CY 2019, as compared to 142nd position in CY 2014. Reforms such as reduction in corporate tax, introduction of IBC to speed up recovery of Non-Performing Assets (NPAs), infusion of INR 25,000 crore in the real estate sector to boost demand and infusion of INR 70,000 crore in public sector banks, were initiated by the government to revive economic growth.

Outlook

India's GDP is expected to contract and settle at 1.9% for FY 2020-21[1], the slowest growth rate in 30 years, owing to the worldwide spread of the COVID-19 pandemic. To curtail its spread, the government imposed a countrywide lockdown which severely disrupted supply chains, bringing the economy to a screeching halt.

As the lockdown is lifted, the economy is said to revive in the second half of FY 2020-21. Demand is expected to pick up but, shortages in supply of goods and services will be noticed in the short-term. However, as industrial activity picks up, the demand supply gap is anticipated to reduce. The government along with the Reserve Bank of India (RBI) will work in tandem, to revive the economy, by offering fiscal and monetary stimuli to bring the economy back on track.

Indian Logistics Industry Overview

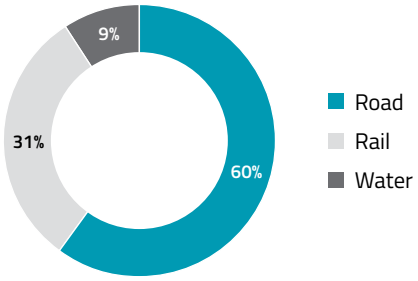
The Indian logistics industry has evolved from a business process to become an integral part of value chain operations. With digital innovations and e-commerce offering the ease of reliable and timely deliveries, the industry has significantly grown. It also provides employment to 40 million people across the country[3].

At present, the logistics sector is dominated by transportation, which has over 85% share in terms of value[4] and warehousing facilities account for the remaining 15%. Goods are mostly transported on-road and it is a preferred mode for delivering 60% of the overall goods transported in the country.

The express logistics segment in India has witnessed a giant leap since its inception. The industry has significantly expanded, not only in size but, also in reach and solutions. It is one of the fastest growing markets globally but, accounts for a miniscule 2% share in the global market. The express logistics sector consists of 2 segments - surface express and air express, with surface express contributing approximately 54% of the overall express industry revenue. The growth will be driven by cross-border transactions owing to diversifying of global supply chains along with arise of e-commerce industry in India, with significant demand arising from Small & Medium Enterprises (SME's) and the Business to Business (B2B) segment[5].

The Indian logistics industry is highly fragmented and unorganized. Owing to the presence of numerous unorganized players in the industry, it remains fragmented, with organized players accounting for approximately 10% of the total market share. With the consumer base encompassing a wide range of industries, including retail, automobile, telecom, pharmaceuticals and heavy industries, the logistics industry has been significant from an economic point of view and continues to be so as businesses open up and resume operations post the COVID-19 lockdown.

Multi Modal Transport Network in India 2019



(Source: Union Budget 20-21, National Logistics Policy)

Growth Drivers of the Industry

- **Rising demand from Tier 2 and Tier 3 cities:** It is estimated that 45- 50% of the consumer spends by 2025 would be contributed by tier 2 and tier 3 towns[7]. In e-commerce, for example, out of the 2M shipments a day, metros and Tier 1 cities contribute around 85% of the share. By 2022, the total number is expected to rise to 15M shipments a day, out of which 5M, that is approx. 33%, is expected to come from Tier 2 and Tier 3 cities[6].

[1] Economic Survey 2019-2020 | [2] IMF- World Economic Outlook | [3] IBEF – Logistics sector report | [4] Business Standard and CARE Rating report | [5] Deloitte Report on Indian Express Industry | [6] Kalaari Capital Report – A New era of Logistics

- **Rising 3rd Party Assistance:** With the rising popularity of e-commerce and growth of FMCG companies in India, there is an increased demand for 3rd party logistics companies to fulfil on-time product deliveries. An impact of the COVID-19 pandemic is that more Indian consumers are shopping online and the demand for essential goods and products is on the rise. With its promise of on-time delivery, online sellers as well as those from sectors such as FMCG, Pharma and Food need to outsource delivery services to 3rd party logistics service providers. This has significantly driven demand in the 3rd party logistic services sector.

- **Digitization:** Digitization of processes is leading the much needed transformation in the industry. By using advanced technology like sensors, IoT, data analysis, Robotics and Artificial Intelligence, the industry targets next level growth. Further, use of drones for delivery purposes will help companies to deliver goods on or before time. This makes drone delivery an ideal, cost-effective choice for the industry, allowing companies to adopt latest technology to enhance efficiency and productivity.

- **Government Spending:** Increased government spending on infrastructure development, to build ports, roads, multi-modal logistics parks, dedicated freight corridors, Bharatmala and Sagarmala will help to increase efficiency of the logistics sector. The government has made efforts to improve the country's road network and had planned to construct 40 km roads per day, to increase connectivity across the country. The Government of India (GoI) plans to invest close to ₹ 102 lakh crore through the National Infrastructure Pipeline Plan by FY 2025, for various infrastructure projects.

- **Policy Support:** In the Union Budget 20-21, GoI announced a new National Logistics policy which will create a single-window e-logistics market and focus on employment generation, skill development and efforts to make medium and small enterprises competitive. Further, policy interventions like GST and the E-way bill offer impetus to structural shifts in the sector. The implementation of GST has also led logistics companies to move from tax-optimized warehousing locations to cost-optimized warehousing facilities.

Challenges Faced By Logistics Industry in India

- The lack of coordination between transport networks, warehousing and distribution facilities along with inadequate use of technology increases logistics costs.

- Absence of uniform rules and regulations across the country often poses a challenge for logistics companies as norms often vary at regional, national and local levels.

- Lack of skilled manpower in the logistics industry lowers efficiency and reduces output considerably.

- Lack of proper infrastructure often results in heavy losses for companies, in the event of product damage due to improper storage, especially in case of perishable items. Proper storage facilities with cold chains can help to reduce losses.

Logistics Industry in India Outlook

A significant economic decline has been noticed due to the recent COVID-19 outbreak, resulting in inefficiencies across the country's logistics landscape. In the short term, growth prospects appear to be dim on account of the countrywide lockdown imposed by the government.

However, with lockdowns now easing out, there is likely to be an increased demand for goods, from multiple industries. This will result in rising demand for warehousing and logistics in India.

The warehousing industry has already finalized contracts for 3 million sq. ft. area, with manufacturing, e-commerce and 3PL players in India. The number is set to increase as the industry rebounds[7] after the economic slowdown. Further, reduction in crude oil prices will have a positive impact on the transportation and logistics industry. With the government's efforts to introduce National Logistic Policy 2020, logistics costs may reduce from the current 14 percent to 10 percent by 2022[8].

With warehousing and e-commerce requiring customised solutions for ensuring safe, timely deliveries, express distribution, in particular surface express, is set to see a surge in this scenario. Logistics players in the organized sector may be better placed to recover from the crisis and resume operations sooner, so as to leverage this growth wave.

About Gati

Gati Limited (Gati) is India's pioneer in express distribution and supply chain solutions, with an experience of more than three decades in the industry. As India's premier express distribution and first and last mile delivery services provider, Gati is committed to meet customer expectations with its customized supply chain solutions, designed to fulfil requirements across diverse industries. With its multi-modal delivery channels involving air and road transport and a pan-India presence, Gati's integrated network provides timely delivery to over 19,800 PIN Codes in 735 out of 739 districts in India. Since its inception in 1989, the company has flourished as a door-to-door cargo company meeting the implicit and explicit delivery needs of consumers. Gati today operates a fleet of more than 5000 vehicles in close cooperation with over 7000 business partners.

Post its strategic acquisition by Allcargo Logistics, the global LCL consolidation leader and India's largest integrated logistics services provider, Gati is now an Allcargo company. This partnership adds a new level of strength to Gati's offerings owing to Allcargo's expertise and leadership across various logistics verticals like NVOCC, Container Freight Station and Inland Container Depot operations, Contract logistics, Project logistics and Warehousing, that Gati's customers can now explore. In addition, Gati's customers also stand to benefit from the opportunity to tap into Allcargo's global network that

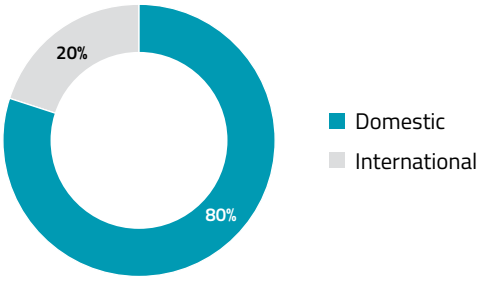
[7] Savills Research Report in Economic Times | [8] Union Budget FY 2020-2021

operates through more than 300 offices in over 160 countries and offers seamless cargo transportation around the world. Together, this collaboration places Gati and Allcargo at an enviable position as the largest multimodal logistics players in the country.

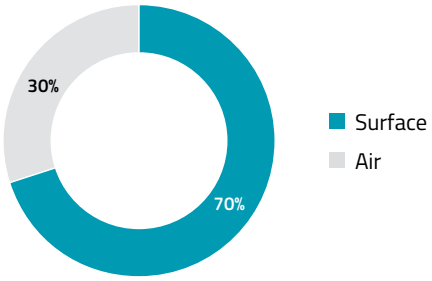
Gati's Business Overview

- Express logistics was always known for delivery of critical documents until the evolution of e- commerce which is rapidly changing the dynamics of the industry.
- Transport of key components by manufacturing sector has also supported demand for express delivery. The express delivery segment is preferred due to time sensitive nature of the delivery.
- The express logistics segment which is currently at ~₹250 bn is expected to grow at 15-20% on the back of rising e-commerce business and demand from manufacturing segment. Due to COVID-19 pandemic, e-commerce is further expected to pick up consequently translating this growth advantage to the surface express logistics sector too.

Market Size of Express Logistics



Market Size of Express Logistics



Surface express likely to be preferred over air express

Between surface express and air express, the demand and resulting growth is likely to be much higher for surface express. With the government efforts and thrust to improve the country's roads and infrastructure, surface express is set to far outpace air express.

Cost dynamics too, significantly favour surface express. Not only is surface express inherently less expensive, but also with higher weights, the relative increase in the cost of air express is much more as compared to surface express. Considering that right from apparel and mobile phones to refrigerators, furniture, and even industrial and commercial goods are being purchased online nowadays, the possibility of surface express to gain market share from air express is a very plausible outcome.

Indian Logistics Sector Developments to catalyse Gati's business

- **Logistics 4.0:** India is today waking up to the dream of tech-driven integrated logistics. Over the past couple of years, structural reforms have drastically enhanced the logistics efficiency in India. For instance, Indian warehouses are now equipped with everything from IoT-devices to automated sorters and handlers, which considerably decrease the turnaround time (TAT) in in-house logistics operations.

  On the other hand, initiatives like mandatory use of FASTag and the new Automotive Industry Standard (AIS-140) have made RFID tags and GPS/GSM trackers mandatory for all commercial vehicles. These developments, alongside others, are driving a superior tech infusion and becoming the harbinger of logistics 4.0 in India.

  Logistics 4.0 will only increase the efficiencies within the logistics sector, leading to the need for flawless supply chains that will eventually call on logistics services providers to offer seamless, timely express logistics and transporation.

- **Superior export prospects:** With unconventional industries and prominent brands gaining access to Indian markets and establishing production facilities here, both domestic consumption and foreign exports are receiving a fillip at present. This is a perfect opportunity for a leading express logistics player like Gati to tap into and cater to the demand for surface and air express distribution within the country.

  The ongoing rift between China and the US has created an opportunity for India to plug the international supply chain gap created by Chinese export shortfall. The government is also simultaneously improving its manufacturing standards with policies like 'Zero Defect, Zero Effect' to aptly position India in the global scenario. With manufacturing experiencing a boost, logistics and specifically express distribution are likely to benefit from it, owing to the need for transportation aligned to global business supply chains.

- **A better logistics infrastructure:** With prominent stress being laid on fortifying and invigorating the Indian logistics paradigm, new and enhanced logistics centers and warehouses are being charted around eminent ports. Logistics parks and tailor-made spaces are proving to be beneficial at the same. In the new normal business environment, as the overall logistics ecosystem undergoes an overhaul, express logistics companies can look ahead to establishing themselves as a key cog in the revamped integrated logistics supply chains.

- **Improved trade policies:** New and enhanced trade policies have also assisted in promoting bilateral trade and amplifying international business. Business conducive foreign trade policies such as the Merchandise Exports from India Scheme (MEIS) and the Service Exports from India Scheme (SEIS) have constructively harmonised the supply and logistics chain management, augmenting the production and manufacturing sector of the country.

  The data released by the Commerce and Industry Ministry revealed that the exports, catalysed by the robust logistics and supply chain sector, reached a whopping $331 billion in 2018-19. Additional efforts for an enhanced bilateral trade by the Indian Government have also led to a fall in the tariff rates and taxes by various nations.

  In current times, however, the COVID-19 pandemic has put global trade in the throes of chaos and decline. With most countries shutting off borders, flow of goods has seen quite a few constraints. While countries and businesses are gradually reducing restrictions, there is likely to be pent up demand and lag in supply of goods. This is where well-established, capable surface and air express experts like Gati can bring in their much-needed experience and offer innovative, customised logistics and transportation solutions.

- **Government initiatives:** Implementation of Goods and Services Tax (GST), E-way Bill and also progressive steps for infrastructure development that include National Infrastructure Pipeline (Roads, Railways and Ports) along with Bharatmala an Sagarmala that seek to bolster India's roadways and waterways respectively, are likely to have significant advantages for the logistics industry as a whole and express logistics services providers in particular.

Gati's Core Competencies

- **Pan India Presence:** Gati's wide range of services spanning express distribution, e-commerce, cold chain solutions (through Gati Kausar), warehousing, packaging, last mile delivery to reverse logistics has a 360 degree presence in the supply chain, ready to fulfil all types of customer requirements. Gati has an extensive network across India, providing delivery to more than 19,800 PIN Codes, covering 735 out of 739 districts in India. Its Pan India presence and greater reach across the country have made Gati one of the strongest players in the industry.

- **Budding Partnership:** With Kintetsu World Express (KWE) as a business partner, Gati is poised for growth and expansion. KWE's focus on implementation of various quality improvement techniques like KAIZEN, 5S and LEAN principles, is expected to augment Gati's service quality. The partnership are helping Gati to make structural changes on the basis of advanced analytical tools, to optimize its routes and the distribution network.

- **Integrated Warehousing and Distribution solutions:** Gati drives productivity and cost efficiency with best-in-class warehouse management system. It has warehouse capacity of 3 million sq. ft. along with e-fulfilment centres at strategic locations, to store products. Gati's integrated and IT-backed multi-modal network transportation coupled with its Pan-India warehousing facilities enable Gati to provide customized Supply Chain Solutions to customers across industries.

- **Advanced Technology:** Gati utilizes technology in the best possible manner, to deliver cost-optimized logistics solutions to its customers. The advanced IT system ensures data sharing between operations, customers and vendors, to facilitate warehouse management, route optimization, freight consolidation, back office functions and other services.

- **The Allcargo Advantage:** As an Allcargo company, Gati and its customers benefit from Allcargo's exemplary standards of professional leadership, sound management capabilities, adherence to highest standards of corporate governance, employee-friendly policies as well as opportunities to leverage its capabilities across a host of logistics verticals and make the most of its global network in over 160 countries.

Project Avvashya: Redefining Gati

In the new normal business environment, Gati is all set to restructure its business processes in a manner that helps accelerate sales, reduce inefficiencies and optimise operations.

Driving ahead its effort to be a frontrunner and lead the future by embracing change, Gati has undertaken an intense transformation initiative, Project Avvashya.

Partnering with leading turnaround specialists Alvarez & Marshal, Project Avvashya will drive Gati towards establishing itself as a premier, digitally-enabled organisation poised to emerge as a market leader and set new performance benchmarks.

Financial Performance

At standalone level, your Company recorded a revenue of ₹ 4,251 Mn, EBITDA of ₹ (53) Mn, PBT of ₹ (215) Mn and PAT of ₹ (578) Mn as against a revenue of ₹ 5,162 Mn, EBITDA of ₹ 447 Mn, PBT of 256 Mn and PAT of ₹ 243 Mn in the previous year.

- The Operating loss 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.

- Profit after tax is negative in current year mainly due to exceptional items i.e. Direct Tax Vivid se Vishwas scheme tax provision, Payment of service tax under amnesty scheme, overseas investment Impairment Provision and Drop in business as explained above.

During the year under review, at consolidated level, your Company achieved a revenue of ₹17,117 Mn, EBITDA of ₹ 489 Mn, PBT of ₹ (484) Mn and PAT of ₹ (843) Mn as against a revenue of ₹18,632 Mn, EBITDA of ₹ 1,103 Mn, PBT of ₹ 355 Mn and PAT of ₹ 230 Mn respectively in the previous year.

In case of company, the reasons have been clarified above. In case of the material subsidiary, the loss for the financial year is due to the loss in Q4 FY 20 arising out of certain provisioning and lower business in March, 2020 due to lockdown.

Financial Ratios

	FY 2019-20	FY 2018-19
Debtors Turnover (No. of Days)	10.53	10.40
Inventory Turnover (No. of Days)	115.34	119.96
Interest Coverage Ratio	-0.71	2.69
Current Ratio	0.95	0.68
Debt Equity Ratio	0.13	0.15
Operating Profit Margin (%)	-1%	9%
Net Profit Margin (%)	-14%	4%
Return on Net Worth	-0.07	0.03

Explanation

- **Debtors Turnover:** The increase in Debtors Turnover indicates better management of Accounts receivable.
- **Inventory Turnover Ratio:** Inventory Turnover has been effective based on the performance.
- **Interest Coverage Ratio:** The sharp drop in Interest Coverage Ratio is due 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 and exceptional items. Hence there has been a loss resulting in adverse interest coverage ratio.
- **Current Ratio:** The current ratio has improved due to optimum working capital utilization.
- **Debt Equity Ratio:** Due to repayment of debt during the year, the debt equity ratio has improved.
- **Operating Profit Margin:** The sharp drop in Operating Profit Margin is due 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 and exceptional items. Hence there has been a loss resulting in adverse Operating Profit Margin.
- **Net Profit Margin:** Net Profit After Tax is negative in current year mainly due to exceptional items i.e. Direct Tax Vivad se Vishwas scheme tax provision, Provision for service tax amnesty scheme, Overseas investment impairment provision and Drop in business as explained above.
- **Return on Net Worth:** The ratio is negative in current year due to losses as explained above.

Human Resources

Gati conducts a number of training, learning and development initiatives for its employees to up-skill, re-skill and be updated on the new trends and developments of the logistics and express distribution industry.

Through a number of employee welfare and engagement programmes, Gati supports the physical and mental well-being of all its employees.

An approachable management, environments conducive to productive contributions, fair compensation structure and a transparent and well-implemented performance management system along with employee-friendly policies make Gati a preferred employer among industry professionals.

Even in these difficult times of the global COVID-19 pandemic, Gati went out of its way to take care of its employees by checking up on them and their health and making lodging and boarding facilities available as needed. Drivers stuck in far-flung areas of the country were tracked and assistance was provided to them. In addition, the warehousing facilities were converted into a shelter for close to 3000 team members including drivers, handlers and labourers.

Risk and Concerns

The Financial and related risks have been comprehensively covered in the Annual Accounts of the company together with the mitigation strategy of the same.

The present and anticipated future risks are reviewed by the management of your company at regular intervals. The management takes suitable preventive steps and measures to adequately safeguard your company's resources of tangible and intangible assets.

For more detailed information regarding Financial Performance of the company you may refer Director's Report forming part of this Annual Report.

Internal Control Systems and their Adequacy

Your company has in place an adequate system of internal controls commensurate with its size & nature of operations, along with well-defined organisation structure & documented policy guidelines & procedures, predefined delegation of authority covering all corporate functions and all operating units. These internal controls are designed to provide reasonable assurance regarding the effectiveness and efficiency of operations, the adequacy of protecting your company's assets from unauthorized use or losses, the reliability of financial controls and compliance with applicable laws and regulations.

Adequate internal control measures are in the form of various policies & procedures issued by the management covering all critical and important activities viz. Contract Management, Operations, Procurement, Finance, Human Resources, Safety, etc. These policies & procedures are updated from time to time and compliance is monitored by Internal Audit function. Your company has continued its efforts to align all its processes and controls with global and industry best practices. The internal audit function based on the audits of operating units and corporate functions highlights various risks and provide constructive recommendation on regular basis for the Operating Units to improve on moderate & high risk areas.

The effectiveness of internal controls is reviewed through the internal audit process, which is undertaken for every operating unit and all major corporate support functions under the direction of the Head Internal Audit. The focus of these reviews is as follows:

- Identify weaknesses and areas of improvement
- Compliance with defined policies and processes

- Safeguarding of tangible and intangible assets
- Management of business and operational risks
- Compliance with applicable statutes
- Compliance with the Gati Code of Conduct

The Audit Committee of the Board oversees the adequacy of the internal control environment through regular reviews of the audit findings and monitoring implementations of internal audit recommendations through the action taken reports submitted to them.

A gist of the significant features of the internal controls is as follows:

- The Audit Committee comprising of independent directors entirely, regularly reviews the audit plans, significant audit findings, implementations of internal audit recommendations, adequacy of internal controls, compliance with accounting standards as well as reasons for changes in accounting policies and practices, if any.
- A well-established and independent Internal Audit team consisting of professionally qualified accountants and functional specialists who are empowered to examine/audit the adequacy, relevance and effectiveness of the control systems, compliance with policies, plans and statutory requirements.
- Process narratives and Risk Control Matrix for all of major business processes and testing thereof including financial closing, IT General Controls and Entity Level controls which are reviewed for improvements.
- Continual programmes to reinforce the Code of Business Conduct & Ethics are conducted regularly across the organisation.

Anti-fraud programmes including whistle blower mechanisms are operative across the Company.

The Board takes responsibility for the overall process of risk management throughout the organisation. During the financial reporting period ending March 2020, your company has conducted an assessment of the effectiveness of the internal financial control over financial reporting and it has in place, adequate internal financial controls with reference to financial statements, commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed and the controls are continuously reviewed for improvements.

Cautionary Statement

Statements in the management discussion and Analysis report describing the company's objectives, projections, estimates, expectations or projections may be "forward looking statements" within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the company's operations include economic and political conditions in which the company operates interest rate fluctuations, changes in Government/RBI regulations, Tax laws, other statues and incidental factors.

Business Responsibility Report

(As per Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company** : L63011TG1995PLC020121
2. **Name of the Company** : Gati Limited
3. **Registered address** : Plot No. 20, Survey no. 12, Kothaguda, Kondapur, Hyderabad, Telangana – 500 084
4. **Website** : www.gati.com
5. **E-mail ID** : investor.services@gati.com
6. **Financial Year reported** : 2019-20
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

NIC Code of the product / service	Name and description of main products / services
52241, 52242, 52243	Cargo handling incidental to land, water & air transport.
47300	Retail sale of automotive fuel in specialized store (including the activity of petrol filling stations)

8. **List three key products/services that the Company manufactures/provides (as in balance sheet):**

   (i) Express Distribution (E-commerce)

   (ii) Fuel Stations

9. **Total number of locations where business activity is undertaken by the Company**

   (a) Number of International Locations (Provide details of major 5):

   (i) Singapore; (ii) China; (iii) Hong Kong; and (iv) Thailand.

   (b) Number of National Locations: We have our Registered office at Kondapur, Kothaguda, Hyderabad with 653 locations spread across the country

10. **Markets served by the Company:**

    National and International markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR)** : ₹ 24,38,91,954
2. **Total Turnover (INR)** : ₹ 425.14 Crores (Standalone)
3. **Total profit/(Loss) after taxes (INR)** : ₹ (57.81) Crores (Standalone)
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)** : ₹ 3.30 Lakhs
5. **List of activities in which expenditure in 4 above has been incurred:**

   Please refer the Annual Report on CSR activities which forms an integral part of the Board's Report for FY 2019-20.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**

   Yes

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

   No, the subsidiaries manage and carry out their own BR initiatives

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

   No, currently, the suppliers/ vendors and distributors do not participate in Company's BR initiatives. However, the Company encourages its business partners to participate in its BR initiatives.

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR**

   (a) Details of the Director/Director responsible for implementation of the BR policy/policies and (b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	06960138
2	Name	Mr. Balasubramanian Aghoramurthy
3	Designation	President – Business & Operations
4	Telephone number	040-71204284
5	E-mail id	Investor.services@gati.com

2. Principle-wise National Voluntary Guidelines (NVGs) BR Policy/policies:

P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 Businesses should promote the well-being of all employees.

P4 Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5 Businesses should respect and promote human rights.

P6 Businesses should respect, protect, and make efforts to restore the environment.

P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 Businesses should support inclusive growth and equitable development.

P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, The policies have been developed as per the National Voluntary Guidelines on Social, Environment and Economic responsibilities of businesses published by the Ministry of Corporate Affairs, Government of India in 2011, the Companies Act, 2013 ("the Act"), SEBI Listing Regulations and other statutory requirements.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes, all policies and policy statements are approved by the Board and policies at operational level are approved by respective functional heads.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	All policies are shared directly with respective stakeholders. Some of these can be viewed on https://www.gati.com/investor-relations/policies/								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, Whistle Blower Policy/Vigil Mechanism provides a platform to report any concerns or grievances pertaining to any potential or violation of any Code of Conduct.								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	This one is our first BR for FY20; policy implementation will be reviewed in the subsequent reporting periods.								

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

As this is our first BR report, our BR performance will be reviewed annually moving forward. We believe that such an annual review of BR performance will play a crucial role in enabling enhanced performance and alignment of business with stakeholder needs year on year.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

We are publishing our first BR report as part of our annual report disclosures which is published annually, and is available online at https://www.gati.com/investor-relations/annual-report/

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 (P1): Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

   Yes. Our policies are primarily applicable for only our company. However, the same is also followed by the group Companies.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   We have not received any stakeholder complaints pertaining to ethics, transparency or accountability in the current reporting period. We encourage all our stakeholders to actively communicate with us so that we continually understand their perceptions of our company while they recognize our ethos of business ethics and responsibility.

Principle 2 (P2): Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   (i) Being an Express Distribution Organization, it is 100% compliant ensuring pollution certificates for all Company / Vendors vehicles. To ensure emission norms are in control.

   (ii) Introduced the practice of using LEDs at all facilities of GATI.

   (iii) Organization introduced usage of Electric Vehicles ("EVs") at IKEA operations, as a pilot run. Upon support of post sale services and advanced technology, usage of EVs will be ramped up.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

      (i) Sewage treatment plants at our major STCs

      (ii) Rain water harvesting (for Ground water charging or recycle for plants and wash room usage)

      (iii) Annual Plantation drive, every year around 500 saplings

      (iv) 50% energy saving by using power saving electric devices

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

   (i) Yes we use of rail infrastructure / public transportation wherever available, the use of these modes leads to reduction in pollution.

   (ii) Also, we generate our own electricity around 5% through our Solar system at Samalkha Office. We also use LED lamps and electric vehicles.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   (i) Yes, we procure services and goods locally. Also provide employment opportunities to local communities.

   (ii) To improve capability and capacity, we impart regular training and skill development programmes.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   Not Applicable

Principle 3 (P3): Businesses should promote the well-being of all employees.

1. Please indicate the Total number of employees.: 344
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis: 15
3. Please indicate the Number of permanent women employees: 40
4. Please indicate the Number of permanent employees with disabilities: No
5. Do you have an employee association that is recognized by management: No
6. What percentage of your permanent employees is members of this recognized employee association?: None
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	None	None
2	Sexual harassment	None	None
3	Discriminatory employment	None	None

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

   Our L&D framework is designed to fuel future ready resources through structured 'Capability Development' initiatives based on a highly scientific approach, aiming at creating domain expertise and Leadership capabilities across levels and functions. We have initiated various learning interventions to meet talent requirement across various levels and functions such as GTRN (Graduate Trainee) Program, BDET (Business Development Executive Trainee) Program, Back2Basics (byte-sized customized chunks of continuous learning capsules) and PDW (Professional Development Workshop series) Program for Associates and Executives; AMTR (Assistant Manager Trainee) Program for assessing and developing the right Front-line Managers with the Framework being named as Discovering the Manager in You; Beyond Managing to Leading, a structured Leadership Development Framework for our Mid-Management level, Coaching on Leadership for Senior Leaders and several such domain-specific and behavioural interventions.

   (a) Permanent Employees – 90%

   (b) Permanent Women Employees – 90%

   (c) Casual/Temporary/Contractual Employees – 90%

   (d) Employees with Disabilities - NA

Principle 4 (P4): Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders?

   Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders:

   Yes

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.:

   The Company is committed to make differences in the lives of under privileged and economically challenged citizens. In line with the Company's CSR philosophy and policy, it takes various initiatives in the area of Health, Education, Sports, Women Empowerment and Skill Development for betterment of such stakeholders.

Principle 5 (P5): Businesses should respect and promote human rights.

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?

   Yes, our company policies and practices related to protection of human rights i.e. sexual harassment, child labor, etc. extends to all our stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   In the current reporting year FY20, we have received 1 stakeholder complaint in the group companies, and this complaint has been resolved in a timely and responsible manner. The complaint was received from an internal stakeholder (employee) on sexual harassment. Our Internal Complaints Committee constituted in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, redressed this complaint with appropriate action. This process involved rigorous investigation and application of procedure under the applicable law, guidelines and regulations.

Principle 6 (P6): Businesses should respect, protect and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/others.

   Our values and policies related to principle 6 extends to all our stakeholders.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   As a part of environment sustainability, the Company constantly encourages green initiatives in their day to day operations.

3. Does the company identify and assess potential environmental risks? Y/N

   Yes

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   Yes, in respect to the point no. 4 & 5 above, Company has taken the following initiatives:-

   a. Vehicles were purchased in compliance with all latest regulations relating to pollution control and Bharat Stage (Euro) norms i.e. BS IV models.

   b. Introduced Electric and CNG based vehicles for Last mile delivery.

   c. The strict periodical maintenance of Company's vehicles is done as per manufacturer's prescribed norms to ensure optimum fuel consumption & better vehicle maintenance.

   d. Vehicles greater than five years old are been phase out and replace new standard BS model vehicles.

   e. Drivers' training programs are being organized and conducted periodically to improve their driving skills, safe driving, better vehicle maintenance and improved fuel efficiency of vehicle.

f. Providing DIP i.e., Drivers Information Package which would educate them about Do's and Don'ts, RIC (Route Information card) and also Driver briefing session conducted regularly before departing the vehicle & monitoring through Vehicle Tracking System.

g. A centralized Operations Command Center (OCC) has been built to provide support to vehicles and drivers 24/7, 365 days.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   Yes, our emissions and waste are within permissible limits.

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   None

Principle 7 (P7): Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   (a) Express Industry Council of India;
   (b) Confederation of Indian Industry.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   NO

Principle 8 (P8): Businesses should support inclusive growth and equitable development.

1. Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

   Yes, the major projects undertaken under our CSR activities focusing primarily on:

   – Education;
   – Health care;
   – Woman Empowerment;
   – Natural Disaster Relief; and
   – Environmental Sustainability.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

   Our CSR activities are carried out through combination of in-house team, our foundations and various other registered NGO's. The projects are managed by a mix of in-house teams and external partners.

3. Have you done any impact assessment of your initiative?

   Yes

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

   The total expenditure made during the FY2019-20 is ₹ 3.32 Lakhs in various projects. Please refer CSR annexure of the Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Yes, all our initiatives, whether implemented directly or in partnership with another agency, are meant to address the direct needs of the beneficiaries such as:

   – Healthcare.
   – Plantation of trees and its maintenance.
   – Women Empowerment / Skill Development.
   – Natural Disaster Relief.

Principle 9 (P9): Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

   Less than 10%

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A. /Remarks(additional information)

   Our Company is a Service providing company and this does not apply

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   NO

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   Yes

Independent Auditor's Report

To the Members of **Gati Limited**

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of Gati Limited ("the Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss, (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information(hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the indeterminate effect of the matter described in 'Basis for Qualified Opinion's section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw Attention to Note 48 of the accompanying standalone financial statement, which states that in earlier years, the Company has given operational advances to few parties aggregating ₹. 184.9 million 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 statements, of a potential adjustment for impairment that might have been necessary in order to present the balance at its estimated recoverable value.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements' 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Standalone financial statements.

Emphasis of Matter

We draw your attention to Note 46(D) to the standalone financial statement regarding loans given to a subsidiary amounting to ₹. 200.10 million 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

In addition to the matter described in the 'Basis for Qualified Opinion's section above, we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our qualified audit opinion on the financial statements.

Sr. No	Key Audit Matter	How our audit addressed the key audit matters
1	**Recoverability of Trade Receivable (See Note 11 to the Standalone Financial Statements)** The gross balance of trade receivables as at March 31, 2020 amounted to ₹ 315.30 million. Due to the inherent subjectivity that is involved in making judgments in relation to credit risk exposures to determine the recoverability of trade receivables, recoverability of trade receivables is considered a key audit matter.	Our audit with respect to determining recoverability of Trade Receivables included the following: ▪ Evaluating the Company's processes and controls relating to the monitoring of trade receivables and review of credit risks of customers. ▪ Examination of management's assessment of the credit review procedures of trade receivables, obtaining trade receivable confirmations, and mapping receipts from the trade receivables after the year end on test basis. ▪ Evaluation of management's assumptions used to determine the expected credit loss on the trade receivables, through detailed analyses of ageing of receivables to historical patterns of receipts, assessment of material overdue individual trade receivables and risks specific to the trade receivable.
2	**Evaluation of uncertain tax positions (See Note 35 (I)to the Standalone Financial Statement)** The Company has material uncertain tax positions including matters under dispute which could have a significant impact on the Standalone Financial Statement, if the potential expenses were to materialise. The outcome of such matters is uncertain and the position taken by management involves significant judgement	Our audit with respect to evaluation of uncertain tax positions included the following: ▪ Assessing the appropriateness of the design and implementation of the Company's controls over the assessment of uncertain tax position including matters under dispute and completeness of disclosures. Supporting documentation are tested for the positions taken by the management, meetings are conducted with in-house legal team, to confirm the operating effectiveness of these controls. ▪ Involving our internal experts to review the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating the management's position on these uncertain tax positions including matters under dispute. ▪ Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2019 to evaluate whether any change was required in the management's position on these uncertainties as at March 31, 2020.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, 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 on whether the company has adequate internal financial controls with reference to these 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 management.

- Conclude on the appropriateness of management's 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 standalone financial statements 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 standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements 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 financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

2. As required by section 143 (3) of the Act, based on our audit, we report, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, except for matter described in 'Basis for Qualified Opinion' section above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   (d) Except for the indeterminate effects of the matter described in the 'Basis for Qualified Opinion' section

above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the relevant rules thereon.

(e) The outcome of the matter described in Basis for Qualified Opinion and above in our opinion, may have an adverse effect on the functioning of the company.

(f) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

(g) The reservation relating to maintenance of accounts and other matters connected therewith are as stated in the 'Basis for Qualified Opinion' section above.

(h) With respect to the adequacy of the internal financial controls over financial reporting with reference to standalone financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" of this report.

(i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the provisions of Section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020.

(j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Note 37 (I), 47 and 48 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund other than one instance of delay for ₹ 0.65 million on account of unclaimed dividend declared on August 10, 2012.

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

(Anurag Singhi)
Partner
Membership No. 066274
UDIN: 20066274AAAAAZ5925

Date: July 3, 2020
Place: Kolkata

Annexure - A to the Independent Auditor's Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We report that:

i. a). The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

b). As per the information and explanations given to us, physical verification of property, plant and equipment have been carried out in terms of the phased program of its verification adopted by the Company and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to size of the Company and nature of its business.

c). According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. As explained to us, inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such verification.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3(iii), 3(iii) (a) to 3(iii) (c) of the said Order are not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments made and providing guarantees and securities, as applicable.

v. According to information and explanations given to us, the company has complied with the directives issued by Reserve Bank of India, and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under with respect to deposits (from public). According to the information and explanation's given to us no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

vii. a). According to the information and explanations given to us and on the basis of our examination of the records of the company examined by us, the company is generally regular in depositing undisputed statutory dues, Including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues, as applicable, to the appropriate authorities.

There are no arrears in respect of the aforesaid dues as at March 31,2020 for a period of more than six months from the date they became payable except provident fund of ₹ 0.14 million which are due for more than 6 months.

b). According to the information and explanations given to us, the dues outstanding in respect of dues of income tax, sales tax, duty of excise, service tax, duty of customs, value added tax and goods and services tax has not been deposited by the Company on account of disputes are as follows:

Name of the Statute	Nature Of Dues	Amount (₹.in Millions)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	444.50	From Year 2005 -2018	CESTAT, Audit Commissionerate
Income tax Act	Income tax	112.14	2012-2013	Hon'ble High Court, Telangana

viii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to any financial institution, bank or Government. The Company had neither any outstanding debenture at the beginning of the year nor has it issued any debenture during the year.

ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanation given to us by the management, term loans were applied for the purpose for which the loans were obtained.

x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of Section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. The Company has made preferential allotment of equity shares during the year under review. The Company has complied with the provisions contained under section 42 of The Companies Act, 2013 and the amount raised from preferential allotment has been utilized for the purpose for which it was and idle fund have been parked as temporary investment in mutual funds.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the order is not applicable to the company

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

(Anurag Singhi)
Partner
Membership No. 066274
UDIN: 20066274AAAAAZ5925

Date: June 3, 2020
Place: Kolkata

Annexure – B to the Independent Auditor's Report

(Referred to in paragraph 2(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection3of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting with reference to these financial statementsof Gati Limited ('the Company') as of March 31, 2020in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timelypreparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to these financial statements.Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to these financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference

to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial control were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

(Anurag Singhi)
Partner
Membership No. 066274
UDIN: 20066274AAAAAZ5925

Date: July 3, 2020
Place: Kolkata

Balance Sheet

as at March 31, 2020

(₹ in Mn)

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
NON CURRENT ASSETS			
Property, Plant and Equipment	3A	2,458.14	2,823.49
Capital Work in Progress	3B	-	5.13
Right-of-use Assets	3C	103.94	-
Investment in Subsidiaries	4	5,639.65	5,678.52
Financial Assets			
Investments	5	-	24.00
Loans	6	179.51	200.52
Deferred tax Assets (Net)	7	-	-
Non Current Tax Asset (Net)		176.40	137.27
Other non-current assets	8	17.66	129.11
		8,575.30	**8,998.04**
CURRENT ASSETS			
Inventories	9	20.19	27.40
Financial assets			
Current Investments	10	778.21	-
Trade receivables	11	212.13	404.96
Cash and Cash Equivalents	12A	102.84	132.28
Bank Balances other than above	12B	55.43	200.52
Loans	13	1.80	1.00
Other financial assets	14	270.37	264.40
Other current assets	15	34.80	37.49
Assets classified - held for sale	16	284.92	-
		1,760.69	**1,068.05**
TOTAL ASSETS		**10,335.99**	**10,066.09**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	17	243.89	217.08
Other Equity	18	7,756.80	7,455.42
TOTAL EQUITY		**8,000.69**	**7,672.50**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
Borrowings	19	460.00	750.31
Lease Liabilities	20	4.74	-
Other financial liabilities	21	6.75	69.44
Provisions	22	3.19	5.39
		474.68	**825.14**
CURRENT LIABILITIES			
Financial liabilities			
Borrowings	23	210.38	104.61
Lease Liabilities	20	3.01	-
Trade payables	24		
Total Outstanding Dues of micro and small enterprises		-	-
Total Outstanding Dues of creditor other than micro and small enterprises		454.77	650.83
Other financial liabilities	25	827.85	760.65
Other current liabilities	26	10.61	50.77
Current Tax Liabilities		353.50	-
Provisions	27	0.50	1.59
		1,860.62	**1,568.45**
TOTAL LIABILITIES		**2,335.30**	**2,393.59**
TOTAL EQUITY AND LIABILITIES		**10,335.99**	**10,066.09**

The accompanying significant accounting policies and notes form an integral part of the Standalone Financial Statements

As per our report of even date

For Singhi & Co.
Chartered Accountants
ICAI Firm Registration No: 302049E

Anurag Singhi
Partner
Membership No: 066274
Place: Kolkata
Date: July 3, 2020

For and on behalf of the Board of Directors

Mahendra Agarwal
Founder & CEO
DIN: 00179779

Peter H Jayakumar
Chief Financial Officer

Place: Hyderabad
Date: July 3,2020

N Srinivasan
Director
DIN: 00004195

T S Maharani
Company Secretary
M No: F8069

Statement of Profit and Loss

for the year ended March 31, 2020

(₹ in Mn)

		Notes	Year ended March 31, 2020	Year ended March 31, 2019
I	**INCOME**			
	Revenue from Operations	28	4,251.42	5,161.77
	Other Income	29	203.71	262.72
	TOTAL INCOME (I)		**4,455.13**	**5,424.49**
II	**EXPENSES**			
	Operating Expenses	30	1,269.06	1,687.56
	Purchase of stock-in-trade		2,657.51	2,835.52
	Changes in Inventories of Stock-in-Trade	31	7.21	(6.11)
	Employee benefits expense	32	239.66	272.34
	Finance Costs	33	125.52	150.86
	Depreciation and amortisation expense	34	36.84	40.14
	Other expenses	35	334.40	188.65
	TOTAL EXPENSES (II)		**4,670.20**	**5,168.96**
III	**PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)**		**(215.07)**	**255.53**
IV	Exceptional Items		-	-
V	**PROFIT/(LOSS) BEFORE TAX (III-IV)**		**(215.07)**	**255.53**
VI	**TAX EXPENSES**	36		
	Current Tax		-	13.00
	Deferred Tax		-	-
	Tax Related to earlier years		363.06	
	TOTAL TAX EXPENSES		**363.06**	**13.00**
VII	**PROFIT/(LOSS) FOR THE YEAR (V-VI)**		**(578.13)**	**242.53**
VIII	**OTHER COMPREHENSIVE INCOME (OCI)**			
	Items not to be reclassified to profit or loss in subsquent periods:			
	Remeasurement gains/(losses) on defined benefit plans		2.52	(3.67)
	Equity investments through other comprehensive income		(7.72)	(15.04)
	Income tax effect on above items		-	-
	OTHER COMPREHENSIVE INCOME FOR THE YEAR (NET OF TAX)		**(5.20)**	**(18.71)**
IX	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VII+VIII)**		**(583.33)**	**223.82**
VIII	**EARNINGS PER EQUITY SHARE**	45		
	(NOMINAL VALUE PER SHARE: ₹ 2/- (PREVIOUS YEAR ₹2/-))			
	Basic (in ₹)		(5.20)	2.24
	Diluted (in ₹)		(5.19)	2.23

The accompanying significant accounting policies and notes form an integral part of the Standalone Financial Statements

As per our report of even date

For Singhi & Co.
Chartered Accountants
ICAI Firm Registration No: 302049E

Anurag Singhi
Partner
Membership No: 066274
Place: Kolkata
Date: July 3, 2020

For and on behalf of the Board of Directors

Mahendra Agarwal
Founder & CEO
DIN: 00179779

Peter H Jayakumar
Chief Financial Officer

Place: Hyderabad
Date: July 3,2020

N Srinivasan
Director
DIN: 00004195

T S Maharani
Company Secretary
M No: F8069

Cash Flow Statement

for the year ended March 31, 2020

(₹ in Mn)

	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	(215.07)	255.53
Adjustments For :		
Depreciation and amortization expense	36.84	40.14
Net Gain on disposal of Property, plant & equipment	(5.14)	(2.50)
Impairment allowance for Investment	76.00	0.05
Expenses on Employee Stock Option scheme	(0.88)	0.07
Finance Costs	125.52	150.86
Allowance for Doubtful Receivables	21.53	7.53
Bad debts and irrevocable balances written off	5.93	39.51
Capital work-in-progress & Other advance written off	7.18	-
Provision for loss allowances recognised in earlier years	(1.81)	(39.51)
Allowance for advances	11.77	-
Interest Income	(27.29)	(73.16)
Net Gain on Investments measured at FVTPL	(6.24)	-
Interest Income on Refund of Income Tax	(8.58)	-
Liabilities no longer required written back	(10.81)	(32.97)
Dividend income from a Subsidiary	(75.60)	(86.71)
Operating Profit/(Loss) Before changes in operating assets and liabilities	**(66.65)**	**258.82**
Adjustment for changes in operating assets and liabilities:		
Decrease / (Increase) in Inventories	7.21	(6.11)
Decrease / (Increase) in Trade receivables	167.18	(52.87)
Decrease /(Increase) in Other current Assets	12.41	(1.55)
Decrease / (Increase) in Other Current Financial Assets	(14.88)	21.98
Decrease /(Increase) in Loans and Non Current Assets	(0.80)	(0.19)
Increase / (Decrease) in Trade payable	(196.06)	229.24
Increase / (Decrease) in Current Financial Liabilities	(52.73)	(12.48)
Increase / (Decrease) in Current Liabilities	(4.35)	29.54
Increase / (Decrease) in provisions	(3.30)	2.24
Cash generated from Operating Activities	**(151.97)**	**468.62**
Direct Taxes paid (net of refunds)	(40.11)	38.35
Net Cash flow generated/(used) from Operating Activities	**(192.08)**	**506.97**
B: Cash Flow From Investing Activities :		
Sale proceeds from Property Plant and equipment	41.79	3.78
Purchase of Property Plant and equipment including Capital work in progress	(12.56)	(7.48)
Purchase of Current Investments	(771.96)	-
Sale proceeds from Current / Non current Investments	16.29	0.13
Investments in Bank Fixed Deposit	145.14	(72.25)
Interest Received	12.72	10.54
Dividend income from a Subsidiary	75.60	86.71
Net Cash flow generated/(used) in Investing Activities	**(492.98)**	**21.44**

Cash Flow Statement

for the year ended March 31, 2020

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
C: Cash Flow From Financing Activities		
Proceeds from issue of equity shares (Net of issue Expenses)	1,000.73	11.32
Proceeds from long term borrowings	4.92	-
Repayment of long term borrowings	(234.37)	(300.13)
Proceeds from Public deposits	18.58	36.69
Repayment of Public desposits	(24.44)	(38.18)
Dividend Paid including tax	(89.21)	(99.94)
Movement in short term borrowings (Net)	105.77	34.98
Payment of Principal Portion of Lease liabilities	(3.03)	-
Payment of interest on Lease liabilities	(1.29)	-
Finance Cost	(122.04)	(149.67)
Net Cash flow generated/(used) from Financing Activities	**655.62**	**(504.93)**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**(29.44)**	**23.48**
Cash and Cash Equivalents at the beginning of the year	132.28	108.80
Cash and Cash Equivalents at the end of the year	**102.84**	**132.28**

Notes:

1. The above Statement of Cash Flow has been prepared under the " Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

2. **Components of cash and cash equivalents**

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Cash on hand	3.90	7.05
Balance with Banks:		
In Current Accounts	98.94	125.23
Cash and Cash Equivalents (Refer Note 12A)	**102.84**	**132.28**

The accompanying significant accounting policies and notes form an integral part of the Standalone Financial Statements

As per our report of even date

For Singhi & Co.
Chartered Accountants
ICAI Firm Registration No: 302049E

Anurag Singhi
Partner
Membership No: 066274
Place: Kolkata
Date: July 3, 2020

For and on behalf of the Board of Directors

Mahendra Agarwal
Founder & CEO
DIN: 00179779

Peter H Jayakumar
Chief Financial Officer

Place: Hyderabad
Date: July 3,2020

N Srinivasan
Director
DIN: 00004195

T S Maharani
Company Secretary
M No: F8069

Statement of Changes in Equity

for the year ended March 31, 2020

A) Equity Share Capital

	No of Shares	(₹ In Mn)
Balance as at March 31, 2018	**10,83,46,795**	**216.69**
Changes in Equity Share Capital for the year ended March 31, 2018	1,95,342	0.39
Balance as at March 31, 2019	**10,85,42,137**	**217.08**
Changes in Equity Share Capital for the year ended March 31, 2020	1,34,03,840	26.81
Balance as at March 31, 2020	**12,19,45,977**	**243.89**

B) Other Equity

(₹ In Mn)

Particulars	Reserves and Surplus							Item of other Comprehensive Income	Total
	Securities Premium	General Reserve	Capital Reserve	Tonnage Tax Reserve (utilised)	Share Option Outstanding account	Special Reserve	Retained Earnings	Equity Investments through other comprehensive income	
Balance as at March 31, 2018	**2,415.40**	**865.75**	**208.39**	**92.91**	**22.56**	**2,233.61**	**1,460.16**	**24.66**	**7,323.44**
Profit for the year							242.53		242.53
Transition adjustment under Ind AS 115							(14.09)		(14.09)
Issue of equity shares on exercise of employee stock options	17.89				(6.96)		11.26		22.19
Final dividend on Equity shares including dividend distribution tax	-						(99.94)		(99.94)
Other Comprehensive Income							(3.67)	(15.04)	(18.71)

Statement of Changes in Equity

for the year ended March 31, 2020

B) Other Equity (Contd..)

(₹ In Mn)

Particulars	Reserves and Surplus							Item of other Comprehensive Income	Total
	Securities Premium	General Reserve	Capital Reserve	Tonnage Tax Reserve (utilised)	Share Option Outstanding account	Special Reserve	Retained Earnings	Equity Investments through other comprehensive income	
Balance as at March 31, 2019	**2,433.29**	**865.75**	**208.39**	**92.91**	**15.60**	**2,233.61**	**1,596.25**	**9.62**	**7,455.42**
Profit/(Loss) for the year							(578.13)		(578.13)
Share Issue Expenses	(4.47)								(4.47)
Employee stock options Lapsed		8.24			(8.24)				-
Adjustments during the year							1.90	(1.90)	-
Issue of equity shares on exercise of employee stock options	7.89				(2.83)				5.06
Issue of equity shares (Refer Note: 50)	973.33								973.33
Final dividend on Equity shares including dividend distribution tax							(89.21)		(89.21)
Other Comprehensive Income							2.52	(7.72)	(5.20)
Balance as at March 31, 2020	**3,410.04**	**873.99**	**208.39**	**92.91**	**4.53**	**2,233.61**	**933.33**	**-**	**7,756.80**

The accompanying significant accounting policies and notes form an integral part of the Standalone Financial Statements

As per our report of even date

For Singhi & Co.
Chartered Accountants
ICAI Firm Registration No: 302049E

Anurag Singhi
Partner
Membership No: 066274
Place: Kolkata
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N Srinivasan
Director
DIN: 00004195

T S Maharani
Company Secretary
M No: F8069

Notes to Financial Statements

for the year ended March 31, 2020

1) Corporate and general information:

Gati Limited ("the Company") is a public limited company incorporated in 1995 under provisions of the Companies Act, 1956 having its Registered and Corporate Office at Plot no.20, Survey no.12, Kothaguda, Kondapur, Hyderabad - 500 084. Telangana, India. The company is primarily engaged in the business of E-commerce logistics, Integrated Freight Forwarding (Domestic and International) and running of fuel stations. The company is listed in the National Stock exchange of India (NSE) and Bombay Stock exchange (BSE).

2) Basis of Accounting

2.1 Statement of Compliance

The standalone financial statements are prepared in accordance with and in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read along with Companies (Indian Accounting Standards) Rules, as amended and other provisions of the Act. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

2.2 Basis of Measurement

The standalone financial statements have been prepared on a going concern basis using historical cost convention, except

- Financial Instruments - Measured at Fair value/ Amortised cost;
- Plan Assets under defined benefit plans–Measured at fair value;
- Employee Share based payments- Measured at fair value

2.3 Functional and Presentation Currency

All financial information presented in Indian rupees (INR) which is the Company's functional currency, has been rounded off to the nearest two decimal of millions, unless otherwise stated.

2.4 Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and unbilled revenues. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

2.5 Use of Estimates and Judgements

The preparation of the Company's standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, income and expenses, the accompanying disclosures and disclosures of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumption in these financial statements have been disclosed below. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates and judgments used are as below:

(i) Defined benefit obligation

(ii) Recognition of current tax and deferred tax

(iii) Recognition and measurement of provisions and contingencies

(iv) Fair value measurement of Financial instruments

(v) Provision for Doubtful Debts and advances

(vi) Share based payments

2.6 Current Vs Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;

Notes to Financial Statements

for the year ended March 31, 2020

- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

2.7 Recent accounting pronouncements – Standard issued but not yet effective

Ministry of corporate affairs (MCA) notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2020.

Significant Accounting Policies:

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

2.8 Property, plant and equipment

Recognition and Measurement:

- Property, plant and equipment (PPE) held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and cumulative impairment losses (if any).
- Cost comprises of cost of acquisition or construction inclusive of duties (net of tax) incidental expenses, interest and erection/ commissioning expenses incurred up to the date asset is put to use. Administrative and other general overhead expenses that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalized as a part of cost of PPE. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Capital work in progress and Capital Advances:

Capital working progress represents Property Plant and Equipment that are not yet ready for their intended use as at the Balance sheet date. Capital advances given towards purchase/ acquisition of PPE outstanding at each balance sheet date are disclosed separately as other Non-current Assets or Other Current Asset.

Non-current assets held for sale

Non-current assets held for sale are presented separately in the Balance Sheet when the following criteria are met

- the Company is committed to selling the assets;
- the assets are available for sale immediately;
- an active plan of sale has commenced; and
- sale is expected to be completed within 12 months.

Assets held for sale and disposal groups are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortised or depreciated.

Subsequent Expenditure:

- Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Items such as spare parts, stand by equipment's and servicing equipment's that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.
- Cost in nature of repair and maintenance expenses are charged to the statement of profit or loss during the reporting period in which they are incurred.

Depreciation and Amortisation:

- Depreciation on tangible assets is provided on straight-line method at the rates determined based on the useful lives of respective assets as prescribed under Schedule II of the Companies Act, 2013.
- Freehold land is not depreciated.
- Cost of leasehold land is amortised over the period of the lease or its useful life, whichever is lower.
- Intangible assets are amortised on straight line basis over its estimated useful life.
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed-off).

Derecognition Assets:

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss is recognized in the statement of profit and loss.

Notes to Financial Statements

for the year ended March 31, 2020

2.9 Intangible Assets:

Intangible assets are stated at acquisition cost net of accumulated amortisation or cumulative impairment, if any. The Company capitalizes identifiable costs relating to development of internally generated software and these are stated net of accumulated amortisation.

Intangible assets under development comprise costs relating to development of software that are not yet ready for their intended use as at the balance sheet date.

The carrying amount of the intangible asset is derecognized on disposal or when no future economic benefit is expected from its use. Any gain or loss is recognised in the statement of Profit and loss.

2.10 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use Assets (ROU Assets)

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.10 Impairment of non-financial assets.

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of properties, machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.11 Impairment assets:

a. The Company assesses at each reporting date whether there is any indication that an asset (tangible or intangible), may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units (CGU) net selling price and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered to be impaired and is written down to its recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased and such reversal is recorded in the Statement of Profit and Loss.

Notes to Financial Statements

for the year ended March 31, 2020

b. Assets that are subject to depreciation and amortisation and assets representing investments in subsidiary and associate companies are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

c. An entity shall test an intangible asset with an indefinite useful life or an intangible asset not yet available for use for impairment, irrespective of whether there is any indication of impairment. This impairment test may be performed at any time during the year, provided it is performed at the same time every year.

2.12 Foreign currency Transactions:

a. The financial statements are presented in Indian Rupee (INR), which is the functional and presentation currency of the Company.

b. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction.

c. At each balance sheet date, foreign currency monetary items are restated using the closing exchange rate.

d. Any exchange difference on account of settlement of foreign currency transactions and restatement of monetary assets and liabilities denominated in foreign currency is recognised in the Statement of Profit and Loss.

e. Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

2.13 Investments in Subsidiaries and Associates :

The Company has accounted for its investments in subsidiaries and associates at cost less accumulated impairment.

2.14 Inventories:

Cost of Inventories have been computed on basis to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are valued at lower of cost and net realizable values.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Cost are assigned to inventory on Fist in First out basis.

2.15 Revenue Recognition:

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net off variable consideration) allocated to the performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various elements like discounts etc.. Offered by the company as part of the contract. The variable consideration is estimated based on the expected value of outflow.

a) Rendering of services:

Income from logistics services rendered are recognized when control over the services transferred to the customer i.e. when the customer has the ability to control the use of the transferred services as per the terms of contract. Revenue is recognized at the fair value of consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

b) Sales of Goods:

Revenue from sale of products is recognized when the control on the goods has been transferred to the customer.

c) Others:

I. Dividend income from investments is recognised when the right to receive payment has been established.

II. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and amount of income can be measured reliably.

III. Rent income is recognised on a straight-line basis over the period of the lease.

2.16 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity.

(i) Financial assets:

a) Initial recognition and measurement:

On initial recognition, a financial asset is classified and measured at:

- Amortized Cost; or
- Fair value through Other Comprehensive Income (FVOCI); or
- Fair value through Profit or loss (FVTPL)

Notes to Financial Statements

for the year ended March 31, 2020

Financial asset are not reclassified subsequent to their initial recognition, except if and in the period the company changes its business model for managing financial asset. In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

- Financial assets at amortised cost:

  A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

  (a) The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

  (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  The effective interest rate (EIR) amortisation is included in finance income in the Statement of Profit and Loss. This category generally applies to long-term deposits and long-term trade receivables.

- Financial assets at fair value through other comprehensive income (FVOCI):

  On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (designated as FVOCI-equity investment). This election is made on an investment-by-investment basis.

  Financial assets are measured at the FVOCI if both of the following conditions are met:

  (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

  (b) The asset's contractual cash flows represent SPPI.

  Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI).

- Financial assets at fair value through profit or loss (FVTPL):

  All financial assets which are not classified/ measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

b) Subsequent measurement

For purposes of subsequent measurement

Category	Subsequent measurement and gains and Losses
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method (EIR). The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement of Profit and Loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

Notes to Financial Statements

for the year ended March 31, 2020

(ii) Financial Liability:

Financial liabilities are classified and measured at amortised cost or FVTPL

a) Initial Recognition & Subsequent measurement:

- Financial liabilities through fair value through profit or loss (FVTPL):

  A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

- Financial liabilities at amortised cost:

  Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss.

  Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

b) Financial guarantee liability:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value net off transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(iii) Impairment of Financial Assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected credit loss at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates to determine impairment loss allowance on portfolio of its trade receivables.

(iv) Derecognition:

a) Financial Assets:

The Company derecognizes a financial asset only

- when the contractual rights to the cash flows from the asset expire, or
- It transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

b) Financial liabilities:

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

(v) Offsetting instruments:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet, when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Notes to Financial Statements

for the year ended March 31, 2020

2.17 Fair Value measurement:

A number of the Company's accounting policies and disclosures require the measurement of fair values, for financial assets and financial liabilities. The Company has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. The Company measures financial assets and financial liability at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3- Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.18 Employee benefits:

a) Defined contribution plan:

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions of employee provident fund to Government administered provident fund and Employee State insurance scheme which is defined contribution plans. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of Profit and Loss in the periods during which the related services are rendered by employees.

b) Defined benefit plan:

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The contributions are deposited with the Life Insurance Corporation of India based on information received by the Company. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested.

c) Compensated absences:

As per policy of the Company, employees can carry forward unutilized accrued compensated absences and utilize it in next service period or receive cash compensation. Since the compensated absences fall due wholly within twelve

Notes to Financial Statements

for the year ended March 31, 2020

months after the end of the period in which the employees render the related service and are also expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a current employee benefit. The Company records an obligation for such compensated absences in the year in which the employee renders the services that increase this entitlement.

The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Remesurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

d) Short-term employee benefit:

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

2.19 Income taxes :

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

a) Current tax:

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

b) Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

2.20 Cash and cash equivalents:

In the cash flow statement, cash and cash equivalents include cash in hand, cheques in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

2.21 Provisions and Contingencies:

Provisions are recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Such liabilities are disclosed by way of notes to the financial statements. No disclosure is made if the possibility of an outflow on this account is remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefits are possible.

2.22 Borrowing cost:

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealized exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealized gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

Notes to Financial Statements

for the year ended March 31, 2020

2.23 Share based payments:

Equity- settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date.

The fair value of option at the grant date is expensed over the vesting period with a corresponding increase in equity as "Share Option outstanding account". In case of forfeiture of unvested option, portion of amount already expensed is reversed. In a situation where the vested option forfeited or expires unexercised, the related balance standing to the credit of the "Share Option outstanding account" are transferred to the "General Reserve". When the options are exercised, the Company issues new fully paid up equity shares of the Company. The proceeds received and the related balance standing to credit of the Share Option outstanding account, are credited to equity share capital (nominal value) and Securities Premium.

2.24 Segment Reporting:

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets other than goodwill.

2.25 Earnings per share:

(i) Basic earnings per share

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive Income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(ii) Diluted earnings per share:

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Notes to Financial Statements

for the year ended March 31, 2020

3A. Property, Plant and Equipment

Tangible Assets

(₹ In Mn)

Particulars	Gross Block					Depreciation					Net Carrying Value As at March 31, 2020
	As at March 31, 2019	Additions	Deductions/ Adjustment	Assets reclassified to held for Sale	As at March 31, 2020	As at March 31, 2019	For the year	Deductions/ Adjustment	Assets reclassified to held for Sale	As at March 31, 2020	
Freehold Land	2,266.61	-	18.36	106.90	2,141.35	-	-	-	-	-	2,141.35
Buildings	476.27	-	40.14	150.74	285.39	44.91	7.62	4.48	16.00	32.05	253.34
Vehicles	55.84	8.42	41.94	-	22.32	44.65	2.98	41.14	-	6.49	15.83
Plant & Machinery	40.29	-	0.12	9.15	31.02	9.94	2.57	0.06	3.24	9.21	21.81
Computers	84.41	2.18	6.16	-	80.43	75.94	5.69	6.16	-	75.47	4.96
Furniture & Fittings	138.25	1.76	15.08	68.61	56.32	72.05	9.80	8.41	35.92	37.52	18.80
Office Equipments	48.19	1.01	7.93	30.90	10.37	38.88	3.48	7.83	26.22	8.31	2.05
TOTAL	**3,109.86**	**13.37**	**129.74**	**366.30**	**2,627.20**	**286.37**	**32.14**	**68.08**	**81.38**	**169.05**	**2,458.14**

(₹ In Mn)

Particulars	Gross Block					Depreciation					Net Carrying Value As at March 31, 2019
	As at March 31, 2018	Additions	Deductions/ Adjustment	Assets reclassified to held for Sale	As at March 31, 2019	As at March 31, 2019	For the year	Deductions/ Adjustment	Assets reclassified to held for Sale	As at March 31, 2019	
Freehold	2,266.61	-	-	-	2,266.61	-	-	-	-	-	2,266.61
Buildings	474.53	2.00	0.26	-	476.27	36.92	8.18	0.19	-	44.91	431.36
Vehicles	57.66	-	1.82	-	55.84	42.73	2.65	0.73	-	44.65	11.19
Plant & Machinery	40.29	-	-	-	40.29	7.25	2.68	-	-	9.94	30.34
Computers	86.20	0.10	1.90	-	84.41	70.79	6.94	1.79	-	75.94	8.46
Furniture & Fittings	137.72	0.53	-	-	138.25	60.83	11.22	-	-	72.05	66.22
Office Equipment's	47.67	0.52	-	-	48.19	30.40	8.48	-	-	38.88	9.31
TOTAL	**3,110.68**	**3.16**	**3.98**	**-**	**3,109.86**	**248.91**	**40.14**	**2.71**	**-**	**286.36**	**2,823.49**

Notes:

a) The amount of Contractual commitments for acquisition of property, plant and equipment is disclosed in Note. 37(II)

b) Refer Note 19 and Note 23 for information on Property, Plant and Equipments pledged as securities by the Company.

c) The Company has not capitalized any borrowing cost during the year. (March 31, 2019 - Nil)

Notes to Financial Statements

for the year ended March 31, 2020

3B. Capital Work in Progress

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Capital Work in Progress	-	5.13
	-	**5.13**

3C. Right of use Assets (ROU)

(₹ In Mn)

Particulars	Gross Block				Depreciation				Net Carrying Value As at March 31, 2020
	As at April 1, 2019	Additions	Deductions/ Adjustment	As at March 31, 2020	As at April 1, 2019	Amortization for the year	Deductions/ Adjustment	As at March 31, 2020	
Leasehold Land	103.38	-		103.38	5.52	1.10	-	6.62	96.76
Buildings*	-	10.78	-	10.78	-	3.60	-	3.60	7.18
Total Right of use Assets (ROU)	**103.38**	**10.78**	**-**	**114.14**	**5.52**	**4.70**	**-**	**10.22**	**103.94**

* Opening balances reclassified on adoption of Ind AS 116.

Notes:

a) The aggregate depreciation expenses on Right of use asset (ROU) is included under depreciation and amortization expenses in the Statement of Profit and Loss.

b) The company's obligation under leases are secured by lessor's title to the leased assets.

c) Refer Note 38 for Right of use asset movement.

Notes to Financial Statements

for the year ended March 31, 2020

4. Investment in Subsidiaries

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Numbers / Units	Amount	Numbers / Units	Amount
Investments measured at Cost				
Equity instrument (Unquoted)				
Investment in Subsidiaries				
Gati Asia Pacific Pte Ltd. of $1 (SGD) each	88,65,829	351.05	88,65,829	351.05
Less: Impairment Allowance (Refer Note: 49)		(351.05)		(275.05)
		-		**76.00**
Zen Cargo Movers Pvt. Ltd. of ₹ 10/- each	3,62,163	3.62	3,62,163	3.62
Less: Impairment Allowance		(3.62)		(3.62)
		-		-
Gati Kausar India Ltd. of ₹ 10/-each (25,62,826 (Previous year: 25,62,826 shares) shares pledged with institution as security for bonds issued by Gati Kausar India Ltd.)	52,12,526	401.37	52,12,526	401.37
Less: Impairment Allowance		(401.37)		(401.37)
		-		-
Gati Import Export Trading Ltd. of ₹ 10/- each	23,00,000	23.00	23,00,000	23.00
Gati Kintetsu Express Pvt Ltd. of ₹ 10/- each	3,50,000	5,525.54	3,50,000	5,525.54
Gati Logistics Parks Private Ltd. of ₹ 10/- each	10,000	91.01	10,000	53.88
Gati Projects Private Ltd. of ₹ 10/- each	10,000	0.10	10,000	0.10
Total (A)		**5,639.65**		**5,678.52**
Investment in Equity Shares of an Associate				
Gati Ship Ltd. of ₹ 10/- each (Refer Note: 16)	-	-		862.30
Less: Impairment Allowance	-	-		(862.30)
Total (B)		-		-
Grand Total (A+B)		**5,639.65**		**5,678.52**

Aggregate amount of Unquoted Investments and Impairment allowance of Investments are given as below:

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Aggregate carrying cost of Unquoted Investments (Net of Impairment allowance)	5,639.65	5,678.52
Aggregate Impairment Allowance	756.04	1,542.34

5. Investments

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Numbers / Units	Amount	Numbers / Units	Amount
A) Investments at Fair Value through Other Comprehensive Income				
Investment in Equity Instrument (Quoted)				
TCI Finance Ltd. of ₹ 10/- each	-	-	16,00,300	24.00
Total (A)		-		**24.00**
B) Investments at Fair Value through Profit and Loss				
1. Investments in Equity Instruments (Unquoted)				
Amrit Jal Ventures Pvt Ltd. of ₹ 10/- each (Refer Note.52)	-	-	1,87,50,000	-
Brown Tape Technology Pvt Ltd of ₹10 /- each	14,451	-	14,451	-
Total		-		-

Notes to Financial Statements

for the year ended March 31, 2020

5. Investments (contd..)

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Numbers / Units	Amount	Numbers / Units	Amount
2. Investments in Preference shares:				
0.001% Compulsory convertible cumulative preference share of Brown Tape Technology Pvt Ltd. of ₹20/- each	4,256	-	4,256	-
3. Investments in Optionally Convertible Debentures : (Refer Note: 16)				
14.5% Unsecured OCD of Amrit Jal Ventures Pvt Ltd. of ₹100 /- each	-	-	34,57,236	-
14.5% Unsecured OCD of Gati Infrastructure Sada-Mangder Power Pvt Limited of ₹ 100/- each	-	-	9,93,354	-
Total (3)		**-**		**-**
Sub Total B=(1+2+3)		**-**		**-**
Grand Total (A+B+C)		**-**		**24.00**

Aggregate amount of Quoted and Unquoted Investments, Market value of Quoted Investments are given as below:

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Aggregate Market Value of Quoted Investments	-	24.00
Aggregate carrying cost of Quoted Investments	-	14.39
Aggregate carrying cost of Unquoted Investments	-	-

Note:

Based on the valuation being done internally/ by independent agencies the valuation for Investments at Fair Value through Profit and Loss is considered to be Nil (Previous year Nil)

6. Loans

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered Good		
Security Deposits	0.49	2.12
Secured, Considered Good		
Loan to Subsidiary (Refer note: 46C)	179.02	198.40
Total	**179.51**	**200.52**

7. Deferred tax Assets (Net)

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Deferred Tax Asset		
Allowance for Doubtful Receivables & Loans	42.84	41.89
Deferred Tax Liability		
Property, Plant and Equipment	(36.06)	(24.95)
Others	(6.78)	(16.94)
Total	-	**-**

Note:

Deferred tax asset arising on account of business loss, allowance for doubtful receivables and advances, allowance for impairment of investments etc. has been recognised in books only to the extent of deferred tax liability. The reason for non recognition of deferred tax asset is due to carry forward losses and possible future capital gain on investments not being available for set off.

Notes to Financial Statements

for the year ended March 31, 2020

8. Other non-current assets

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Capital Advance	11.50	12.02
Less: Provision for capital Advance	(10.00)	-
	1.50	**12.02**
Deferred employee stock option compensation	0.10	1.84
Advance Lease Rentals (Refer Note-3C)	-	96.76
Balances with statutory Authorities	13.70	16.20
Prepaid Expenses	2.36	2.29
Total	**17.66**	**129.11**

9. Inventories

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
(At lower of cost or Net realisable value)		
Stock in Trade	20.19	27.40
Total	**20.19**	**27.40**

Note: No inventories were pledged as security for liabilities during the period and comparable period.

10. Current Investments

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Investment at Fair Value through Profit & Loss (Unquoted)		
ICICI Pru Liquid Fund-Growth: 688674 (31 Mar 2019: Nil) Units	201.45	-
IDFC Money Manager Fund-Regular - Growth: 3305779 (31 Mar 2019: Nil) Units	100.95	-
Kotak Liquid Fund-Regular- Growth: 50321 (31 Mar 2019: Nil) Units	201.31	-
L&T Money Market Fund-Regular - Growth: 10124531 (31 Mar 2019: Nil) Units	201.44	-
PGIM India Insta Cash Fund - Growth: 284301 (31 Mar 2019: Nil) Units	73.06	-
Total	**778.21**	**-**

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Aggregate Market Value of Quoted Investments	778.21	-
Aggregate carrying cost of Quoted Investments	771.95	-

11. Trade receivables

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Unsecured		
Considered Good	212.13	404.96
Credit Impaired	103.17	87.57
	315.30	**492.53**
Less: Allowance for Doubtful Receivables (Refer Note :42C)	103.17	87.57
Total	**212.13**	**404.96**

Notes to Financial Statements

for the year ended March 31, 2020

11. Trade receivables (contd..)

Note:

i) No Trade receivables are due from directors and other officers of the company either severally or jointly with any other person.

ii) For details of debts due from firms or private companies in which any director is a partner, a director or a member, Refer Note 47 of related party transactions.

iii) The Carrying amount of trade receivables is pledged as security for borrowings. (Refer Note 23)

(iv) Trade Receivables are non interest bearing and are generally on terms of 30 to 90 days.

12A. Cash and Cash Equivalents

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Cash on hand	3.90	7.05
Balance with Banks:		
In Current Accounts	98.94	125.23
Total	**102.84**	**132.28**

12B. Bank Balances other than 12A above

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
In earmarked accounts		
Deposits with original maturity of more than three months and less than twelve months *	46.22	191.53
Unpaid Dividend account	9.21	8.99
Total	**55.43**	**200.52**

* Fixed deposit amounting to ₹ 19.20 Mn (Previous year: ₹16.50 Mn) has been lien marked for a term Loan.

13. Loans

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered Good, unless otherwise stated		
Loans to others	1.80	1.00
Loan receivable with significant increase in credit risk	-	-
Loan receivable with credit Impaired from subsidiary	16.37	16.37
Less: Allowance for Doubtful Loans	(16.37)	(16.37)
Total	**1.80**	**1.00**

14. Other financial assets

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
(Unsecured, Considered good unless otherwise stated)		
Accrued Interest on Deposits, Loan & investments, etc.	217.07	220.24
Less: Allowance for Doubtful receivables	(215.71)	(215.71)
	1.36	**4.53**
Other Advances receivable (Refer Note: 47 & 48)	275.00	265.86
Less: Allowance for Doubtful receivables	(5.99)	(5.99)
	269.01	**259.87**
Total	**270.37**	**264.40**

Notes to Financial Statements

for the year ended March 31, 2020

15. Other current assets

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
(Unsecured, Considered good unless otherwise stated)		
Operational Advance	26.01	13.35
Less: Provision for Operational Advance	(1.77)	-
	24.24	**13.35**
Prepaid Expenses	1.25	4.06
Balances with statutory Authorities	5.83	12.74
Prepaid Lease Rentals	-	1.10
Others	3.48	6.24
Total	**34.80**	**37.49**

16. Assets classified - held for sale

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
A) Property, Plant & Equipment		
Land	106.90	-
Building	134.74	-
Plant & Machinery	5.90	-
Furniture & Fixtures	32.70	-
Office Equipment	4.68	-
Total	**284.92**	**-**

Investments

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Numbers / Units	Amount	Numbers / Units	Amount
a) Investment in an Associate				
Gati Ship Ltd. of ₹10/- each	48,00,000	862.30	-	-
Less: Impairment Allowance		(862.30)	-	-
Total (a)		**-**		**-**
b) Investments in Optionally Convertible Debentures : (Unquoted)				
14.5% Unsecured OCD of Amrit Jal Ventures Pvt Ltd. of ₹100 /- each	34,57,236	-	-	-
14.5% Unsecured OCD of Gati Infrastructure Sada-Mangder Power Pvt Limited of ₹ 100/- each	9,93,354	-	-	-
		-		**-**
Grand Total (a+b)		**-**		**-**

The Board at the meeting held on January 28th ,2020, has also approved the disposal of the above Property Plant and Equipment and investments and transaction expected to complete with in one year.

Notes to Financial Statements

for the year ended March 31, 2020

17. Equity Share Capital

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Authorized:				
Equity Shares of ₹ 2/- each	12,50,00,000	250.00	12,50,00,000	250.00
Redeemable Preference Shares ₹ 100/- each	5,00,000	50.00	5,00,000	50.00
		300.00		**300.00**
Issued:				
Equity Shares of ₹ 2/- each fully paid up	12,19,45,977	243.89	10,85,42,137	217.08
		243.89		**217.08**
Subscribed and Paid-up:				
Equity Shares of ₹2/- each fully paid up	12,19,45,977	243.89	10,85,42,137	217.08
		243.89		**217.08**

a) Terms /Rights attached to Shareholder

The Company has only one class of issued shares i.e. Equity Shares having par value of ₹ 2/- per share. Each holder of Equity Shares is entitled to one vote per share and ranks pari passu. The dividend proposed by the Board of Director is subject to the approval of shareholder in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

b) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

(₹ in Mn)

Equity Shares of ₹2 each fully paid	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning of the year	10,85,42,137	217.08	10,83,46,795	216.69
Shares issued on exercise of Employee Stock Option Scheme	70,500	0.14	1,95,342	0.39
Share issued on allotment (Refer Note: 50)	1,33,33,340	26.67	-	-
Shares at the end of the year	**12,19,45,977**	**243.89**	**10,85,42,137**	**217.08**

c) Details of shareholders holding more than 5% of the aggregate shares in the Company:

(₹ in Mn)

Name of Share holder	As at March 31, 2020		As at March 31, 2019	
Equity Shares of 2 each fully paid held by	No. of Shares	% Holding	No. of Shares	% Holding
Allcargo Logistics Limited	2,54,03,340	20.83%	-	-
Bay Capital India Fixed Income Fund Ltd.	68,85,335	5.65%	78,34,755	7.22%
Goldman Sachs International	-	-	64,35,000	5.93%
Neera And Children Trust	55,99,995	4.59%	55,99,995	5.16%
Total	**3,78,88,670**	**31.07%**	**1,98,69,750**	**18.31%**

d) Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment as at the Balance Sheet date:

i) 1,11,000 options (Equity Shares of ₹2 each) are reserved under employee stock option scheme as on March 31, 2020 (Previous year 3,58,150 as on March 31, 2019) and the same will vest/allot in the financial year 2020-21.

(₹ in Mn)

Equity Shares of ₹ 2 each fully paid	As at March 31, 2020		As at March 31, 2019	
	No. of Equity Shares to be issued as fully paid up	Amount	No. of Equity Shares to be issued as fully paid up	Amount
Employee stock option granted and Outstanding	1,11,000	0.22	3,58,150	0.72
Total	**1,11,000**	**0.22**	**3,58,150**	**0.72**

e) The company has neither allotted any equity shares for consideration other than cash nor has issued any bonus shares nor has bought back any shares during the period of five years preceding the date at which Balance Sheet is prepared.

f) No calls are unpaid by any directors or officers of the company during the year

Notes to Financial Statements

for the year ended March 31, 2020

18. Other Equity

(₹ in Mn)

		As at March 31, 2020	As at March 31, 2019
a)	Securities Premium	3,410.04	2,433.29
b)	General Reserve	873.99	865.75
c)	Capital Reserve	208.39	208.39
d)	Tonnage Tax Reserve (Utilised)	92.91	92.91
e)	Share Option Outstanding account	4.53	15.60
f)	Special Reserve	2,233.61	2,233.61
g)	Retained Earning	933.33	1,596.25
h)	Other Comprehensive Income	-	9.62
	Total Other Equity	**7,756.80**	**7,455.42**

A The Description, Nature and Purpose of each reserve under other equity are as follows:

a) Securities Premium : Securities premium represents the premium on issue of equity shares. The same can be utilised in accordance with the provisions of the Companies Act, 2013.

b) General Reserve: This reserve is the retained earnings of the company, which are kept aside out of the Company's profit to meet future (known or unknown) obligations.

c) Capital Reserve : Capital Reserve includes amount received on allotment of convertible warrants was forfeited and transferred to Capital Reserve Account.

d) Tonnage Tax Reserve (Utilised): This reserve is a statutory reserve which is created and will be utilized in accordance with the provisions of Section 115VT of Income tax Act 1961 to comply with the provisions of 'Tonnage Tax Scheme' under Chapter XII-G.

e) Share option outstanding account: The share option outstanding account is used to record the value of equity- settled share based payment transactions with employees. The amount recorded in the share option outstanding account are transferred to securities premium upon exercise of stock options by employees.

f) Special Reserve: The Hon'ble Andhra Pradesh High Court, approved the Scheme of Arrangement for amalgamation. ("The Scheme") vide its Order dated March 19, 2013 which interalia, permits creation of a capital reserve to be called Special Reserve to which shall be credited excess of value of assets over value of liabilities on amalgamation of the subsidiaries amounting to 5555.4 Mn to be utilized by the Company to adjust therefrom any capital losses arising from transfer of assets and certain other losses, any balance remaining in the Special Reserve shall be available for adjustment against any future permanent diminution in the value of assets and exceptional items etc. as specified in the Scheme as the Board of directors may deem fit.

g) Retained Earnings: Retained earnings comprise of net accumulated profit/(loss) of the company, after declaration of dividend.

h) Other Comprehensive Income

Equity Instrument through OCI: The company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the equity instruments through OCI shown under the head other equity. The company transfer amounts to retained earnings when the relevant equity securities are derecognised.

Notes to Financial Statements

for the year ended March 31, 2020

19. Non Current Borrowings

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Non- Current	Current	Non- Current	Current
Secured				
i) Term Loan From Banks	326.63	230.03	521.85	209.54
ii) Term Loan From Financial Institutions	81.84	59.41	139.88	52.82
Sub Total (A)	**408.47**	**289.44**	**661.73**	**262.36**
Unsecured				
Fixed deposits from public	51.53	75.26	88.58	47.32
Amount disclosed under the head "Other Current Financial Liabilities" (Refer Note: 25)		(364.70)	-	(309.68)
Sub Total (B)	**51.53**	**(289.44)**	**88.58**	**(262.36)**
Total (A+B)	**460.00**	**-**	**750.31**	**-**

(₹ in Mn)

Bank Name	ROI	No of O/S Instalments	Instalment Amount	Starting Date	Outstanding Amount ₹	Nature of Security / Pledge
State Bank of India	MCLR+450 BPS	9/Quarterly	10.00	30-Jun-18	90.00	Note (A)
Syndicate Bank	MCLR+160 BPS	8/Quarterly	18.75	31-Mar-18	150.00	Note (B)
Hero Fincorp Ltd	11.50%	27/Monthly	5.14	8-Jul-17	138.85	Note (C)
Kotak Mahindra Bank Ltd-Loan I	MCLR + 80 BPS	33/Monthly	1.87	5-Jan-18	61.86	Note (D)
Kotak Mahindra Bank Ltd-Loan II	MCLR + 80 BPS	33/Monthly	3.83	25-Apr-18	127.20	
South Indian Bank Ltd	MCLR +50 BPS	50/Monthly	2.46	31-Mar-16	122.75	Note (E)
Vehicle Loan	9.00%	13 to 53/ Monthly	0.2 to 0.8	1-Aug-13	7.27	Note (F)
Unwinding interest on term loan					(0.02)	

Notes Nature of Security/Pledge

A) First pari Passu charge along with other working capital lenders on the entire current assets of the Company and property situated at
   1) Verna Industrial Estate Salcete, Goa.
   2) Pimplas village, Bhiwandi, Thane District, Mumbai.
   3) Lonard Village, Bhiwandi, Thane District, Mumbai."

B) 1) Extension of 1st Mortgage charge on property located at Hubli, Bangalore of Gati Kintetsu Express Private Limited.
   2) Subservient Charge on current asset and Property, Plant and Equipment of the company (both present and future)

C) First charge by way of equitable mortgage of properties at:
   1) Property at Binola, Gurgaon (Haryana).
   2) Land and Building situated at Secunderabad, Telangana.
   3) Personal Guarantee of Managing Director"

D) First and exclusive charge by way of mortgage of Immovable property situated at Samalka, New Delhi.

E) 1) Mortgage of Ground+3 Floors of Building at Kondapur, Hyderabad.
   2) Hypothecation of Future Rent receivables from Gati Kintetsu Express Pvt Ltd by escrowing the lease rentals."

F) Hypothecated against vehicle Loans.

Notes to Financial Statements

for the year ended March 31, 2020

20. Lease Liabilities

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Non- Current	Current	Non- Current	Current
Lease Liabilities (Refer Note: 38)	4.74	3.01	-	-
Total	**4.74**	**3.01**	**-**	**-**

21. Other financial liabilities (Non Current)

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Interest accrued but not due on borrowings	2.18	4.40
Rental Obligation	-	24.29
Security Deposit	4.57	40.75
Total	**6.75**	**69.44**

22. Non Current Provisions

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Employee Benefits		
Leave Encashment	3.19	5.39
Total	**3.19**	**5.39**

23. Current Borrowings

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Secured		
Working Capital facilities		
From banks *	210.38	104.61
Total	**210.38**	**104.61**

(₹ in Mn)

Particulars of Nature of Security:	As at March 31, 2020	As at March 31, 2019
1 Working capital loan is secured by first charge on entire current assets of the company on pari passu basis with other working capital lenders with property situated at 1) Verna Industrial Estate, Salcete, Goa. 2) Pimplas village, Bhiwandi, Thane District, Mumbai. 3) Lonard Village, Bhiwandi, Thane District, Mumbai."	86.48	56.56
2 Working capital loan is secured by first charge on entire current assets of the company on pari passu basis with other working capital lenders along with immovable properties in Mumbai, Bangalore, Jaipur, and Port blair as collateral security. The same security is extended as collateral to a subsidiary.	49.90	48.05
3 Working Capital loan is secured with immovable properties situated at Nelamangala, Bangalore.	74.00	-
Total	**210.38**	**104.61**

* Average rate of interest varying between 10.50% - 11% p.a.

Notes to Financial Statements

for the year ended March 31, 2020

24. Trade Payables

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
For Goods and Services		
Total Outstanding dues of micro and small enterprises (Refer Note No: 40)	-	-
Total Outstanding dues of creditors other than micro and small enterprises (Including acceptances)	454.77	650.83
Total	**454.77**	**650.83**

25. Other Financial Liability

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Current Maturities of Long-term Borrowings (Refer Note. 19)	364.70	309.68
Security Deposits	96.30	25.43
Corporate Guarantee Obligation	0.65	1.02
Rental Obligation	-	3.59
Interest accrued but not due on Borrowings	12.55	10.29
Unpaid Dividends (a)	9.21	8.99
Employee benefits Liabilities	24.23	39.70
Unpaid matured deposits and interest accrued thereon	11.56	7.28
Liability towards guarantee invoked	236.00	236.00
Others	72.65	118.67
Total	**827.85**	**760.65**

(a) Due to technical issues the Company could not transfer the unclaimed dividend amount of ₹ 0.65 Mn to Investor Education and Protection Fund pertaining to the financial year 2011-12. The said amount has been transferred to Investor Education and Protection Fund Post Balance sheet date.

26. Other current liabilities

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Statutory dues payable	10.40	25.56
Other Advances	0.21	25.21
Total	**10.61**	**50.77**

27. Current Provisions

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Provision for Employee Benefits		
Leave Encashment	0.50	1.59
Total	**0.50**	**1.59**

Notes to Financial Statements

for the year ended March 31, 2020

28. Revenue from Operations

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Sale of Services		
Freight, Ecommerce, Demurrage and Miscellaneous services	1,451.71	2,189.77
Sale of Products		-
Sale of Diesel, Petrol and Lubricants	2,744.81	2,920.91
Total (A)	**4,196.52**	**5,110.68**
Other Operating Revenue		
Management Fee from Subsidiaries	16.04	16.66
Other Recoveries	38.86	34.43
Total (B)	**54.90**	**51.09**
Grand Total (A+B)	**4,251.42**	**5,161.77**

A. Revenue from contracts with customers disaggregated based on revenue stream and by reportable segment

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Revenue based on product & services		
a) Express Distribution	1,625.82	2,189.77
b) Fuel Stations	2,570.70	2,920.91
Other Operating Revenues	54.90	51.09
Total	**4,251.42**	**5,161.77**
Revenue based on Geography		
India	4,251.42	5,161.77
Overseas	-	-
	4,251.42	**5,161.77**
Reconciliation of Revenue from Operation with contract price		
Revenue as per contract price	4,256.58	5,188.06
Less:		
Credit Note	(42.75)	(62.08)
Unsatisfied Performance Obligation	(17.31)	(15.30)
Revenue from Operation	**4,196.52**	**5,110.68**

Transaction Price - Unsatisfied Performance Obligation

The Company's unsatisfied performance obligations mainly arises on account of undelivered shipments. The aggregate value of transaction price allocated to the unsatisfied performance obligations as at 31st March 2020 is ₹ 17.31 Mn, which is expected to be recognised during next year.

B. Contract Balances

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Contract Assets	0.92	15.27
Trade Receivables	315.30	492.53
Less: Impairment allowances	103.17	87.57
Total	**212.13**	**404.96**

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognised as revenue as and when the performance obligation is satisfied.

Notes to Financial Statements

for the year ended March 31, 2020

29. Other Income

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Interest Income on		
Deposit with Bank and Others carried at amortised cost	9.55	10.54
Unwinding of other financial assets carried at amortised cost	17.74	19.66
Refund of Income tax	8.58	40.29
Dividend Income		
From Subsidiary	75.60	86.71
Other Non Operating Income		
Rental Income	61.33	61.51
Net Foreign Exchange Gain	0.67	1.12
Net Gain on disposal of Property, plant & equipment *	5.14	2.50
Liabilities no longer required written back	10.81	32.97
Net Gain on Investments measured at FVTPL	6.24	-
Others	8.05	7.42
Total	**203.71**	**262.72**

* 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 ₹ 62.5 Mn. The profit on the aforesaid sale of ₹ 4.5 Mn.

30. Operating Expenses

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Freight	1,208.69	1,571.77
Claims for Loss & Damages (Net)	28.35	45.95
Other Operating Expenses	32.02	69.84
Total	**1,269.06**	**1,687.56**

31. Changes in Inventories of Stock-in-Trade

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Opening Stock:		
Stock-in-trade	27.40	21.29
	27.40	**21.29**
Less: Closing Stock		
Stock-in-trade	20.19	27.40
	20.19	**27.40**
Increase / (Decrease) in Inventories of Stock-in-trade	**7.21**	**(6.11)**

32. Employee benefits expense

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, Wages & Bonus	219.02	254.79
Contribution to Provident and Other Funds	14.37	10.96
Staff Welfare Expenses	7.15	6.52
Expenses on Employee Stock Option scheme	(0.88)	0.07
Total	**239.66**	**272.34**

Notes to Financial Statements

for the year ended March 31, 2020

33. Finance Costs

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Interest Expense on		
Term Loans and Working Capital facilities	108.15	136.04
Public Deposits	13.03	13.12
Lease Liabilities	1.29	-
Tax Matters	1.03	-
Others Borrowing Cost	2.02	1.70
Total	**125.52**	**150.86**

34. Depreciation and amortisation expense

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on Plant Property and Equipments	32.14	40.14
Depreciation on Right to use Asset (Refer Note: 3C)	4.70	-
Total	**36.84**	**40.14**

35. Other expenses

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Rent	13.28	14.66
Rates and Taxes	5.28	2.18
Repairs and Maintenance	13.89	16.32
Insurance	2.96	1.63
Telephone expenses	6.98	8.06
Printing and Stationery	4.01	4.21
Travelling expenses	8.64	11.66
Electricity	3.02	3.08
Professional and Consultancy Charges	28.90	22.59
Bank Collection charges	11.48	16.14
Donations	1.50	3.23
Corporate Social Responsibility Expenditure (Refer Note 35.1)	0.33	-
Directors Sitting fees	3.13	2.83
Commission to Non-Whole-time Directors	-	2.10
Remuneration to Auditors [Refer Note: 35.2]	2.66	1.47
Allowance for advances	11.77	-
Allowance for Doubtful Receivables	17.42	7.53
Capital work-in-progress written off & Other advance written off	7.18	-
Bad debts and irrevocable balances written off	5.93	39.51
Less: Provision for loss allowances recognised in earlier years	(1.81)	(39.51)
Impairment allowance for Investment (Refer Note: 49)	76.00	0.05
Investment Write-off (Refer Note: 52)	187.50	-
Less: Provision for Investment recognised in earlier years	(187.50)	-
Management Fee	43.30	40.88
Service tax on Amnesty Scheme (Refer Note 37 (f))	38.21	-
Miscellaneous expenses	30.34	30.03
Total	**334.40**	**188.65**

Notes to Financial Statements

for the year ended March 31, 2020

35.1 Corporate Social Responsibility Expenditure

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Gross amount required to be spent by the company during the year (A)	**19.78**	**13.20**
Amount Spent during the year (B)		
i) Construction/Acquisition of any asset	-	-
ii) On purpose other than (i) above	0.33	-
	0.33	**-**
Accumulated amount Unspent as at year end (A-B)	**19.44**	**13.20**

35.2 Payment to auditor (Excluding Goods and Services Tax)

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Statutory Audit fees	0.75	0.66
Taxation Matters	0.38	0.33
Certification fees and other services	1.53	0.48
Total	**2.66**	**1.47**

36. TAX EXPENSES

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Income Tax recognised in Statement of Profit and Loss		
Current Tax	-	13.00
Deferred Tax	-	-
Taxes related to earlier years (Refer Note 37 (e))	363.06	
Total	**363.06**	**13.00**

36.1 Reconciliation of Income Tax expense for the year with book profits

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Profit/(Loss) before Tax	(215.07)	255.53
Applicable Tax Rate *	34.944%	34.944%
Tax Expense	**(75.15)**	**89.29**
Tax Effect of :		
Non-deductible expenses for tax purpose	1.67	2.80
Non-taxable income for tax purpose	(28.60)	(30.30)
Utilisation of previously unrecognised tax losses	-	(35.40)
Other differences (Including effect of non recognition of Deferred Tax Asset)	102.08	(26.39)
MAT payable at 18.5% on the adjusted book profits of the company in accordance with the provisions of Income Tax Act, 1961	-	13.00
Income tax recognised in profit or loss	-	13.00
Effective Tax Rate *	0%	5%

* Excludes effect of adjustment of ₹ 363.06 Mn on account of tax related to earlier year

36.2 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.

Notes to Financial Statements

for the year ended March 31, 2020

37. Contingent liabilities and Commitments

(I) Contingent Liabilities (to the extent not provided for)

(₹ in Mn)

		As at March 31, 2020	As at March 31, 2019
(a)	**Claim against the Company not acknowledged as debt**		
	(i) Income tax Demand disputed in appeals (Includes amount paid under protest and Adjustments of ₹98.96 Mn, Previous year - ₹42.79 Mn)	410.73	1,283.13
	(ii) Indirect Tax demand disputed in appeals	444.50	438.48
	(iii) Others	40.70	40.35
	Total	**895.93**	**1,761.96**
	(i) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments / decisions pending with various forums / authorities.		
	(ii) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. Also, the Company does not expect any reimbursement in respect of the above contingent liabilities.		
(b)	Bank Guarantee (*)	2.00	3.58
(c)	Corporate Guarantee outstanding (#)	393.28	417.44

(*) Bank Guarantee is issued to meet certain business obligations towards govt agencies and certain customers.

(#) Corporate guarantee given to Subsidiary companies.

(d) There has been a Supreme Court (SC) judgement dated February 28, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. During the current year ended March 31, 2020, Company is incompliance with same. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, was not ascertainable and consequently no effect was given in the accounts.

(e) Income Tax:

On a critical and objective reappraisal of the income tax demands for a various years under appeal, the company based on expert legal opinion from a law firm, the company is 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 ₹353.50 Mn as per the details given below.

Assessment Year	From where Appeal is pending	Tax payable under Vivad se Viswas (₹ In Mn)
2009-10	Department's appeal before Income Tax Appellate Tribunal	40.80
2012-13	Department's appeal before Income Tax Appellate Tribunal	229.50
Outflow on account of utilization of carried forward losses		83.20
Total cash outflow		**353.50**

(f) 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, regarding settlement of the ongoing tax litigations which are pending before various Appellate Authorities. The settlement proposed by the Company under the Scheme of ₹ 38.21 Mn 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 ₹1,005.70 Mn.The company does not expect any further liability under The Direct Tax Vivad se Vishwas Act, 2020 for direct taxes in future with respect to above mentioned Assessment year.

Notes to Financial Statements

for the year ended March 31, 2020

(II) Commitments

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
(a) Commitment for acquisition of Property, Plant & Equipment's (Net of advances)		
Towards Property, plant & Equipment	-	13.76
Total	**-**	**13.76**

38. Leases

Effective 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31st March 2019 have not been retrospectively adjusted.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

The following is the summary of practical expedients elected on initial application:

(i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

(ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

(iii) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(iv) Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at 1st April, 2019 is 12%.

The changes in the carrying value of right of use (ROU) assets for the year ended 31st March, 2020 are disclosed in Note 3B

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
ROU Balance at the beginning of the year		
Opening balance reclassified on account of adoption of Ind AS 116	103.38	-
Additions	10.78	-
Amortization cost accrued during the year	(10.22)	-
ROU Balance at the end of the year	**103.94**	**-**
Lease liabilities at the beginning of the year	-	-
Additions	10.78	-
Interest cost accrued during the year	1.29	-
Payment of lease liabilities	(4.32)	-
Lease liabilities at the end of the year	**7.75**	**-**
Current lease liabilities	3.01	-
Non-current lease liabilities	4.74	-
Total Lease liabilities	**7.75**	**-**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases or cancellable in nature was ₹14.38 Mns for the year ended 31st March, 2020.

Notes to Financial Statements

for the year ended March 31, 2020

The table below provides details regarding the contractual maturities of lease liabilities as of 31st March, 2020 on an undiscounted basis:

Maturity Analysis for Leases

(₹ in Mn)

		As at March 31, 2020	As at March 31, 2019
(a)	**Undiscounted Contractual Cashflows**		
i)	Not later than one year	3.94	-
ii)	Later than one year but not later than five years	5.85	-
iii)	Later than five years	-	-
	Total (a)	**9.79**	**-**
(b)	**Interest on Lease Liabilities**		
i)	Not later than one year	0.93	-
ii)	Later than one year but not later than five years	1.11	-
iii)	Later than five years	-	-
	Total (b)	**2.04**	**-**
(c)	**Principal Proportion of lease liabilities**		
i)	Not later than one year	3.01	-
ii)	Later than one year but not later than five years	4.74	-
iii)	Later than five years	-	-
	Total (c) = (a-b)	**7.75**	**-**

Future lease commitments - All leases other than included above are of either low value or cancellable at the option of the lessee.

39. Disclosure as required under Ind AS 19 on Employee Benefits:

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Statement of Assets and Liabilities for defined benefit obligation		
Defined benefit asset - Gratuity Plan	14.79	19.21
Defined benefit obligation - Gratuity Plan	11.31	12.97
Net employee benefit (liabilities) / Asset	**3.48**	**6.24**

Defined contribution

The expense for defined contribution plans amounted to ₹ 14.37 Mn and ₹ 10.96 Mn for the year ended March 31, 2020 and March 31, 2019 respectively. Out of these, ₹12.18 Mn (31 March 2019 ₹ 10.96 Mn) pertains to provident / pension funds and ₹ .0.23 Mn (March 31, 2019 ₹0.21 Mn) pertains to superannuation fund plan.

Defined benefits - Gratuity

The Company provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India.

These defined benefit plans expose the Company to actuarial risks, such as currency risk, interest risk and market (investment) risk.

The Company expects not to contribute to Gratuity Fund in the next year, as the company has surplus balance

Inherent risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

Notes to Financial Statements

for the year ended March 31, 2020

The following tables analyse present value of defined benefit obligations, expense recognised in Statement of Profit and Loss, actuarial assumptions and other information.

Reconciliation of the net defined benefit (asset)/ liability:

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
(I) Reconciliation of present value of defined benefit obligation		
(a) Balance at the beginning of the year	12.97	9.87
(b) Current service cost	1.29	1.78
(c) Interest cost	0.98	0.75
(d) Benefits paid	(1.08)	(2.58)
(e) Actuarial (gains)/ losses recognised in other comprehensive income	-	-
change in demographic assumptions	-	-
change in financial assumptions	0.65	0.86
experience adjustments	(3.50)	2.29
Balance at the end of the year	**11.31**	**12.97**
(II) Reconciliation of present value of plan assets		
(a) Balance at the beginning of the year	19.21	17.00
(b) Investment Income	1.44	1.30
(c) Return on plan assets, excluding amount recognised in net interest expense	(0.33)	(0.51)
(d) Contributions by the employer	7.50	4.00
(e) Benefits paid	(1.08)	(2.58)
(f) Fund Transfer adjustment	(11.95)	-
Balance at the end of the year	**14.79**	**19.21**
(III) Net asset/ (liability) recognised in the Balance Sheet		
(a) Present value of defined benefit obligation	(11.31)	(12.97)
(b) Fair value of plan assets	14.79	19.21
Net defined benefit Asset/(obligations) in the Balance Sheet	**3.48**	**6.24**
(IV) Expense recognised in Statement of Profit or Loss		
(a) Current service cost	1.29	1.78
(b) Past Service Cost	-	-
(c) Interest Income (Net)	(0.47)	(0.55)
Amount charged to Profit or Loss	**0.82**	**1.23**
(V) Remeasurements recognised in Other Comprehensive Income		
(a) Actuarial gain / (loss) on defined benefit obligation	2.85	(3.15)
(b) Return on plan asset excluding interest income	(0.33)	(0.52)
Amount recognised in Other Comprehensive Income	**2.52**	**(3.67)**
(VI) Plan assets		
Plan assets comprise of the following:		
(a) Investments with LIC	100%	100%
(VII) Actuarial assumptions		
Principal actuarial assumptions at the reporting date (expressed as weighted averages)		
(a) Discount rate	6.50%	7.50%
(b) Future salary growth	4%	4%
(c) Retirement age (years)	58	58
(d) Withdrawal rates	9%	9%
(e) Mortality rate (% of IALM 06-08)	100%	100%

Notes to Financial Statements

for the year ended March 31, 2020

(IX) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Increase	Decrease	Increase	Decrease
(a) Discount rate (1% movement)	(0.65)	0.72	(0.76)	0.86
(b) Future salary growth (1% movement)	0.69	(0.63)	0.83	(0.75)
(c) Withdrawal assumption (1% movement)	0.07	(0.08)	0.13	(0.14)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions as shown.

Expected cash flows over the next (Valued on undiscounted cash flows)

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
1 year	1.58	1.30
2 to 5 years	5.70	7.42
6 to 10 years	5.32	6.08
More than 10 years	5.56	8.48

The company expects to contribute ₹ 1.58 Mn to the fund during the subsequent year

40. Due to Micro enterprises and small enterprises

(₹ in Mn)

		As at March 31, 2020	As at March 31, 2019
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year :	-	-
	Principal amount due to micro and small enterprises	-	-
	Interest due on above	-	-
	Total	**-**	**-**
(ii)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. There are no dues unpaid to Micro and Small Enterprises as on March 31 , 2020.

41. Dividends

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Dividend on equity shares paid during the year including Tax Final Dividend for the FY 2019-20 [₹ 0.80 (Previous year₹ 0.90) per equity share of ₹ 2 each]	89.21	99.94
	89.21	**99.94**

Proposed Dividend:

No Dividend has been proposed with the objective to conserve cash to be deployed for business post Covid -19

Notes to Financial Statements

for the year ended March 31, 2020

42. Financial instruments - fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2020, including their levels in the fair value hierarchy.

(₹ In Mn)

Particulars	Carrying amount					Fair value			
	FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities- amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Investment in mutual funds	778.21	-	-	-	778.21	778.21	-	-	778.21
	778.21	**-**	**-**	**-**	**778.21**	**778.21**	**-**	**-**	**778.21**
Financial assets not measured at fair value									
Loans	-	-	181.31	-	181.31				
Trade receivables	-	-	212.13	-	212.13				
Cash and cash equivalents	-	-	102.84	-	102.84				
Other bank balances	-	-	55.43		55.43				
Other financial assets	-	-	270.37	-	270.37				
	-	**-**	**822.08**	**-**	**822.08**				
Financial liabilities not measured at fair value									
Borrowing	-	-	-	1,035.08	1,035.08				
Trade payables	-	-	-	454.76	454.76				
Other financial liabilities	-	-	-	469.90	469.90				
Lease liabilities	-	-	-	7.75	7.75				
	-	**-**	**-**	**1,967.49**	**1,967.49**				

Notes to Financial Statements

for the year ended March 31, 2020

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2019, including their levels in the fair value hierarchy.

(₹ In Mn)

Particulars	Carrying amount					Fair value			
	FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities- amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Investment in equity instruments		24.00	-	-	24.00	24.00	-	-	24.00
		24.00	**-**	**-**	**24.00**	**24.00**	**-**	**-**	**24.00**
Financial assets not measured at fair value									
Loans			201.52	-	201.52				
Other financial assets			264.40	-	264.40				
Trade receivables			404.96	-	404.96				
Cash and cash equivalents			132.28	-	132.28				
Other bank balances			200.52	-	200.52				
			1,203.68	**-**	**1,203.68**				
Financial liabilities not measured at fair value									
Borrowing			-	1,164.60	1,164.60				
Trade payables			-	650.83	650.83				
Other financial liabilities			-	520.40	520.40				
	-	**-**	**-**	**2,335.83**	**2,335.83**				

Notes to Financial Statements

for the year ended March 31, 2020

B. Measurement of fair values

i. Valuation techniques and significant unobservable inputs

The fair value of cash and cash equivalents, bank balances, trade receivables, loans, investments in Debt instrument, borrowings, trade payables and other financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's loans have been contracted at market rates of interest. Accordingly, the carrying value of such loans approximate fair value.

During the previous year, Investments in equity instruments, which are classified as FVOCI are based on market price at the respective reporting date.

ii. Level 1 fair values

The following table shows a reconciliation from the opening balance to the closing balance for Level 1 fair values.

(₹ in Mn)

Particulars	Fair values Equity instruments
Balance at March 31, 2018	**39.05**
Gain included on OCI	
- Net change in fair value (unrealised)	(15.05)
Balance at March 31, 2019	**24.00**
Balance at March 31,2019	24.00
Current Investments during the year	771.96
Net Gain on Investments measured at FVTPL	6.24
Equity investments through other comprehensive income	(7.72)
Sale proceeds Non current Investments	(16.27)
Balance at March 31, 2020	**778.21**

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

(i) Credit risk

(ii) Liquidity risk

(iii) Market risk

Risk management framework

The Company's principal financial liabilities includes borrowings, Lease liabilities, trade payable and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, cash and cash equivalents and other financial assets that derive directly from its operations.

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

The major part of company's profit is dependent upon the dividend income from a subsidiary, which is related to performance of the subsidiary and dividend distributable by them.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to customers, including outstanding accounts receivables. The

Notes to Financial Statements

for the year ended March 31, 2020

C. Financial risk management (Contd..)

maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(a) Trade receivables and loans

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk.

The movement of Trade Receivables and Expected Credit Loss are as follows :

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Trade Receivables (Gross)	315.30	492.53
Less: Expected Credit Loss	103.17	87.57
Trade Receivables (Net)	**212.13**	**404.96**

Reconciliation of Loss allowance (Trade Receivables)

(₹ in Mn)

	Amount
Loss Allowance on March 31,2018	**126.06**
Change in Loss allowance	(38.49)
Loss Allowance in March 31, 2019	**87.57**
Change in Loss allowance	15.60
Loss Allowance in March 31, 2020	**103.17**

The movement of Loans and Expected Credit Loss are as follows :

(₹ in Mn)

Particulars	As at March 31, 2020	As at March 31, 2019
Loans	18.17	17.37
Less: Expected Credit Loss	16.37	16.37
Loans (net)	**1.80**	**1.00**

Reconciliation of Loss allowance (Loans)

(₹ in Mn)

	Amount
Loss Allowance on March 31,2018	**16.37**
Change in Loss allowance	-
Loss Allowance in March 31, 2019	**16.37**
Change in Loss allowance	-
Loss Allowance in March 31, 2020	**16.37**

(b) Loans (Security deposits given):The Company has given security deposits to lessors for premises leased by the company as at the year end.the credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered good.

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. Besides , it generally has certain undrawn credit facilities which can be accessed as and when required ; such credit facilities are reviewed at regular intervals. Thus , no liquidity risk is perceived at present.

Notes to Financial Statements

for the year ended March 31, 2020

C. Financial risk management (Contd..)

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Mn)

March 31, 2020	Contractual cash flows				
	Carrying amount	Total	Less than 1 year	1 to 5 years	More than 5 years
Borrowings	1,035.08	1,035.08	575.07	460.01	-
Lease liabilities	7.75	7.75	3.01	4.74	-
Trade payables	454.76	454.76	454.76	-	-
Other financial liabilities	469.90	476.65	469.90	6.75	-
	1,967.49	**1,974.24**	**1,502.75**	**471.49**	**-**

(₹ in Mn)

March 31, 2019	Contractual cash flows				
	Carrying amount	Total	Less than 1 year	1 to 5 years	More than 5 years
Borrowings	1,164.60	1,164.60	104.61	1,053.69	6.30
Trade payables	650.83	650.83	650.83	-	-
Other financial liabilities	520.40	520.40	450.97	11.10	58.34
	2,335.83	**2,335.83**	**1,206.41**	**1,064.79**	**64.64**

(iii) Floating exchange rate and Interest risk:

Floating exchange rate

Floating exchange rate with reference to Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The total unhedged foreign currency exposure at the year end towards Trade Receivable & Trade Payable is ₹15.50 Mn (Previous year ₹24.30 Mn) and ₹ 18.80 Mn (Previous Year₹12.40 Mn) respectively. The Company does not have significant foreign currency exposure and hence, is not exposed to any significant foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long term and short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Notes to Financial Statements

for the year ended March 31, 2020

C. Financial risk management (Contd..)

The interest rate profile of the Company 's interest bearing financial instruments at the end of the reporting period are as follows:

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Fixed rate instruments		
Financial assets	-	-
Financial liabilities		
Vehicle Loans	7.27	5.23
Term Loans	138.85	189.97
Deposits from Public	126.79	135.90
Lease liabilities	7.75	-
	280.66	**331.10**
Variable rate instruments		
Financial assets	-	-
Financial liabilities		
Cash Credit	210.38	104.61
Term Loans	551.79	728.89
	762.17	**833.50**
	1,042.83	**1,164.60**

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

(₹ in Mn)

Particulars	Effect on Profit before tax		Effect on total equity	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Variable rate instruments - decrease by 100 basis points	7.62	8.34	7.62	8.34
Variable rate instruments - increase by 100 basis points	(7.62)	(8.34)	(7.62)	(8.34)

The sensitivity analysis above has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year.

Equity risk

The Company's quoted equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The senior management reviews and approves all equity investment decisions.

Sensitivity analysis

Investment in equity instruments of the Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The table below summaries the impact of increase/decrease of the Nifty 50 index on the Company's equity and profit for the period. The analysis is based on the assumption that the NSE nifty 50 equity index had increased/decreased by 10% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

(₹ in Mn)

Particulars	Effect on Profit before tax		Effect on total equity	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
NSE Nifty 50 - increase by 10% (March 31, 2019: 10%)	77.82	2.40	77.82	2.40
NSE Nifty 50 - decrease by 10% (March 31, 2019: 10%)	(77.82)	(2.40)	(77.82)	(2.40)

Notes to Financial Statements

for the year ended March 31, 2020

43. Capital management

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure the Company monitors the return on capital, as well as the level of dividends to equity shareholders. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders and debt includes borrowings and lease liabilities.

The company monitors capital on the basis of the following Gearing ratio:

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Borrowings(Including Current maturities of Long term Borrowings)	1,035.08	1,164.60
Less: Cash and Cash Equivalents	(102.84)	(132.28)
Less: Bank balance other than Cash and Cash Equivalents	(55.43)	(200.52)
Less: Current Investments	(778.21)	-
Net debt	98.60	831.80
Total Equity	8,000.69	7,672.50
Gearing ratio	0.01	0.11

44. Segment Information

A Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Company has two reportable segments, as described below, which is the Company's primary business segment. These business units are managed separately because they require different marketing strategies. For these business the Company's (designation of the person who reviews) reviews internal management reports at quarterly basis.

Reportable segments - Operations

Express Distribution - Covers integrated cargo services- Road, Rail and Air transportation and Warehousing operations

Fuel Stations - Covers fuel stations dealing in petrol, diesel and lubricants, etc.

B Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's CODM . Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Summary of Segment Information as at and for the year ended March 31, 2020 and March 31, 2019 is as follows:

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
1. Segment Revenue (Net Sales / Income from each Segment)		
a) Express Distribution	1,500.74	2,240.89
b) Fuel Stations	2,750.68	2,920.88
Total	**4,251.42**	**5,161.77**
Less: Inter Segment Revenue	-	-
Net Sales / Income from Operations	**4,251.42**	**5,161.77**

Notes to Financial Statements

for the year ended March 31, 2020

44. Segment Information (Contd..)

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment)		
a) Express Distribution	(155.07)	330.62
b) Fuel Stations	65.52	75.77
Total	**(89.55)**	**406.39**
Less: Finance Cost	(125.52)	(150.86)
Loss before tax	(215.07)	255.53
Less: Tax Expenses	363.06	13.00
Profit/(Loss) after tax as per statement of profit an loss	**(578.13)**	**242.53**

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
3. Segment Assets		
a) Express Distribution	3,387.20	3,720.30
b) Fuel Stations	165.81	296.49
c) Unallocated	6,783.00	6,049.30
Total Assets	**10,336.01**	**10,066.09**
Segment Liabilities		
a) Express Distribution	669.70	961.00
b) Fuel Stations	4.59	6.57
c) Unallocated	1,661.02	1,426.02
Total Liabilities	**2,335.31**	**2,393.59**
Capital Employed	**8,000.70**	**7,672.50**

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
4. Depreciation and amortisation Expenses		
a) Express Distribution	35.71	39.25
b) Fuel Stations	1.13	0.89
Total	**36.84**	**40.14**

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
5. Significant non- cash Expenditure		
a) Express Distribution	116.48	7.53
b) Fuel Stations	-	-
Total	**116.48**	**7.53**

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
6. Capital Expenditure		
a) Express Distribution	10.03	2.59
b) Fuel Stations	3.34	0.57
Total	**13.37**	**3.16**

Notes to Financial Statements

for the year ended March 31, 2020

C Geographical information

The Company at present, operates in India only and following are the required disclosure:

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
1. Revenue from External Customers		
a) India	4,251.42	5,161.77
b) International	-	-
Total	**4,251.42**	**5,161.77**

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
2. Segment Non Current assets *		
a) India	2,580.24	3,158.25
b) International	-	-
Total	**2,580.24**	**3,158.25**

45. Earnings per Share

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Loss for the year (₹ Mn)	(578.13)	242.53
Weighted average number of shares (Nos.)	11,11,79,319	10,85,06,991
Diluted average number of shares (Nos.)	11,12,90,319	10,86,20,652
Basic Earnings Per Share (In ₹)	(5.20)	2.24
Diluted Earnings Per Share (In ₹)	(5.19)	2.23
Nominal value of shares outstanding (In ₹)	2.00	2.00

46. Related party disclosure

A. Names of related parties and related party relationship for the year ended 31st March, 2020

i)	**Entity having Significant influence over the company**	1. AllCargo Logistics limited (W.e.f 28th January 2020) (Refer Note no.50)	
ii)	**List of Key managerial personnel**	1. Mr Mahendra Agarwal	– Founder & CEO
		2. Mr Manoj Gupta	– Chief Financial Officer (Resigned on 31st Jul 2018
		3. Mr Amit Pathak	– Company Secretary, Chief Investor Relations & Compliance Officer (Resigned 31st Dec-2018)
		4. Mr Peter H Jayakumar	– Chief Financial Officer (Appointed on 28th May 2019)
		5. Ms. T S Maharani	– Company Secretary, Chief Investor Relations & Compliance Officer (Appointed 2nd Aug-2019)
		6. Mr K L Chugh	– Chairman
		7. Mr N Srinivasan	– Director
		8 Dr P S Reddy	– Director
		9. Mr Sunil Kumar Alagh	– Director resigned on 5th December 2019
		10. Mr P N Shukla	– Director
		11. Mr Yasuhiro Kaneda	– Director
		12. Ms Sheela Bhide	– Director Ceased on 4th August 2019
		13. Ms Savita Date Menon	– Director Appointed on 2nd August 2019
		14. Mr Sushil Kumar Jiwarajka	– Director Appointed on 2nd August 2019 and resigned on 5th December 2019
		15. Mr Shashi Kiran Shetty	– Director Appointed on 4th February 2020
		16. Mr Kaiwan Kalayaniwalla	– Director Appointed on 4th February 2020

Notes to Financial Statements

for the year ended March 31, 2020

46. Related party disclosure (contd..)

A. Names of related parties and related party relationship for the year ended 31st March, 2020 (contd..)

iii)	**Entities in which Key Managerial Personnel & their relatives able to excecise significant influence**	1. TCI Finance Ltd. 2. TCI Hi-ways Pvt. Ltd. 3. Amrit Jal Ventures Private Ltd. 4. Gati Academy 5. Gati Infrastructure Sada Mangdar Power Pvt. Ltd. 6. Jaldi Traders & Commerce House Pvt. Ltd. 7. P D Agarwal Foundation 8. Gati Infrastructure Private Limited 9. Giri Roadlines and Commercial Trading Pvt Ltd
iv)	**Subsidiaries & Step down Subsidiaries**	1. Gati Asia Pacific Pte Ltd. 2. Gati Hong Kong Ltd 3. Gati Cargo Express (Shanghai) Co.Ltd. 4. Gati Kausar India Ltd. 5. Gati Import Export trading Ltd. 6. Zen Cargo Movers Pvt. Ltd. 7. Gati Kintetsu Express Pvt. Ltd. 8. Gati Logistics Parks Private Ltd. 9. Gati Projects Private Ltd.
v)	**Associate**	1. Gati Ship Ltd.

B. Summary of the transactions with related parties :

(₹ in Mn)

S L. No	Nature of Transaction	Key Managerial Personnel & Relatives		Entities in which Significant influence exists		Subsidiaries & step down Subsidiaries		Total	
		FY 2019 -20	FY 2018 -19	FY 2019 -20	FY 2018 -19	FY 2019 -20	FY 2018 -19	FY 2019 -20	FY 2018 -19
a)	**EXPENDITURE**								
	Freight and Other Charges								
	Gati Cargo Express (Shangai) Co Ltd.	-	-	-	-	7.12	8.22	7.12	8.22
	Zen Cargo Movers Private Ltd	-	-	-	-	1.04	1.35	1.04	1.35
	Gati Kintetsu Express Private Ltd	-	-	-	-	522.89	558.03	522.89	558.03
	Remuneration								
	Mr.Amit Pathak	-	2.65	-	-	-	-	-	2.65
	Mr.Manoj Kumar Gupta	-	4.72	-	-	-	-	-	4.72
	Ms T S Maharani	1.94	-	-	-	-	-	1.94	-
	Mr Peter H Jayakumar (part of management fee paid)	-	-	-	-	-	-	-	-
	Directors Sitting Fee								
	Mr K L Chugh	0.61	0.48	-	-	-	-	0.61	0.48
	Mr N Srinivasan	0.73	0.59	-	-	-	-	0.73	0.59
	Mr P N Shukla	0.62	0.72	-	-	-	-	0.62	0.72
	Dr P S Reddy	0.13	0.40	-	-	-	-	0.13	0.40
	Ms Sheela Bhide	0.07	0.32	-	-	-	-	0.07	0.32

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for the year ended March 31, 2020

46. Related party disclosure (contd..)

B. Summary of the transactions with related parties : (contd..)

(₹ in Mn)

SL. No	Nature of Transaction	Key Managerial Personnel & Relatives		Entities in which Significant influence exists		Subsidiaries & step down Subsidiaries		Total	
		FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
	Mr Sunil Kumar Alagh	0.39	0.32	-	-	-	-	0.39	0.32
	Ms Savita Date Menon	0.33	-	-	-	-	-	0.33	-
	Mr Sushil Kumar Jiwarajka	0.25	-	-	-	-	-	0.25	-
	Directors Commission								
	Mr K L Chugh	-	0.50	-	-	-	-	-	0.50
	Mr N Srinivasan	-	0.35	-	-	-	-	-	0.35
	Mr P N Shukla	-	0.25	-	-	-	-	-	0.25
	Dr P S Reddy	-	0.25	-	-	-	-	-	0.25
	Ms Sheela Bhide	-	0.25	-	-	-	-	-	0.25
	Mr Sunil Kumar Alagh	-	0.25	-	-	-	-	-	0.25
	Mr Yasuhiro Kaneda	-	0.25	-	-	-	-	-	0.25
	Management Fee								
	Gati Kintetsu Express Private Ltd	-	-	-	-	43.30	40.88	43.30	40.88
	Manpower Expenses								
	Gati Academy	-	-	24.25	35.46	-	-	24.25	35.46
	Rent Expenses								
	P D Agarwal Foundation(*)			0.21				0.21	-
	Investment provided for during the year								
	Gati Asia Pacifi Pte Ltd					76.00		76.00	-
	(*) Subject to Board Approval								
b)	**INCOME**								
	Freight and Other Charges								
	Gati Cargo Express (Shangai) Co Ltd.	-	-	-	-	55.92	104.38	55.92	104.38
	Gati Import Export Trading Limited	-	-	-	-	-	3.52	-	3.52
	Gati Kintetsu Express Private Ltd	-	-	-	-	12.79	116.13	12.79	116.13
	Rent								
	Gati Academy	-	-	0.39	0.53	-	-	0.39	0.53
	TCI Finance Limited	-	-	0.18	0.24	-	-	0.18	0.24
	TCI Hi-Ways Pvt Ltd	-	-	0.07	0.07	-	-	0.07	0.07
	Gati Kintetsu Express Private Ltd	-	-	-	-	44.50	49.16	44.50	49.16
	Gati Import Export Trading Limited	-	-	-	-	0.60	0.60	0.60	0.60
	Management Fee								
	Gati Academy	-	-	-	0.84	-	-	-	0.84
	Gati Kintetsu Express Private Ltd	-	-	-	-	14.28	14.37	14.28	14.37
	Gati Kausar India Ltd.	-	-	-	-	0.51	0.47	0.51	0.47
	Gati Import Export Trading Limited	-	-	-	-	1.27	0.98	1.27	0.98
	Dividend Income								
	Gati Kintetsu Express Private Ltd	-	-	-	-	75.60	86.71	75.60	86.71
	Fuel Sales income								
	Gati Kintetsu Express Private Ltd	-	-	-	-	0.14	0.19	0.14	0.19
	ESOS Expense Reimbursment								
	Gati Kintetsu Express Private Ltd	-	-	-	-	1.79	3.23	1.79	3.23
c)	**Sale of Investment/Property**								
	Giri Roadlines & Commercial Trading Pvt Ltd	-	-	12.22	-	-	-	12.22	-
	P D Agarwal Foundation	-	-	62.50	-	-	-	62.50	-

Notes to Financial Statements

for the year ended March 31, 2020

46. Related party disclosure (contd..)

C. Names of related parties and related party transactions as at 31st Mar, 2020

(₹ in Mn)

S L. No	Nature of Transaction	Associates		Entities in which Significant influence exists		Subsidiaries & Step down Subsidiaries		Total	
		As at 31st Mar 2020	As at 31st Mar 2019	As at 31st Mar 2020	As at 31st Mar 2019	As at 31st Mar 2020	As at 31st Mar 2019	As at 31st Mar 2020	As at 31st Mar 2019
a)	**Investments - Equity**								
	TCI Finance Ltd	-	-	-	24.00	-	-	-	24.00
	Gati Ship Limited	-	862.30			-	-	-	862.30
	Gati Ship Limited Provision	-	(862.30)			-	-	-	(862.30)
	Amrit Jal Ventures Private Ltd -Equity Invoked/Litigation	-	-	-	187.50	-	-	-	187.50
	Amrit Jal Ventures Private Ltd -Impairment	-	-	-	(187.50)	-	-	-	(187.50)
	Gati Asia Pacific Pte Ltd	-	-	-	-	351.05	351.05	351.05	351.05
	Gati Asia Pacific Pte Ltd - Provision	-	-	-	-	(351.05)	(275.05)	(351.05)	(275.05)
	Gati Kausar India Ltd.	-	-	-	-	401.37	401.37	401.37	401.37
	Gati Kausar India Ltd. - Impairment	-	-	-	-	(401.37)	(401.37)	(401.37)	(401.37)
	Gati Import Export Trading Limited	-	-	-	-	23.00	23.00	23.00	23.00
	Zen Cargo Movers Private Ltd	-	-	-	-	3.62	3.62	3.62	3.62
	Zen Cargo Movers Private Ltd -Provision	-	-	-	-	(3.62)	(3.62)	(3.62)	(3.62)
	Gati Kintetsu Express Private Ltd	-	-	-	-	5,510.00	5,510.00	5,510.00	5,510.00
	Gati Logistic Parks Private Limted	-	-	-	-	90.91	53.88	90.91	53.88
	Gati Projects Private Limited	-	-	-	-	0.10	0.10	0.10	0.10
	Investments - Debentures								
	Amrit Jal Ventures Private Ltd--- OCD`s	-	-	-	345.72	-	-	-	345.72
	Amrit Jal Ventures Private Ltd - Impairment	-	-	-	(345.72)	-	-	-	(345.72)
	Gati Infrastructure Sada Mangder Private Ltd - OCD's	-	-	-	(99.34)	-	-	-	(99.34)
	Gati Infrastructure Sada Mangder Private Ltd - Impairment	-	-	-	99.34	-	-	-	99.34
b)	**Trade Receivable**								
	Gati Cargo Express (Shangai) Co Ltd.	-	-	-	-	14.68	20.75	14.68	20.75
	Gati Import Export Trading Limited	-	-	-	-	0.01	1.67	0.01	1.67
c)	**Other Receivable**								
	Amrit Jal Ventures Private Ltd	-	-	176.76	176.76	-	-	176.76	176.76
	Gati Infrastructure Sada Mangder Private Ltd	-	-	38.95	38.95	-	-	38.95	38.95
	Provision for Interest Receivable Amrit Jal Ventures Private Ltd.	-	-	(176.76)	(176.76)	-	-	(176.76)	(176.76)
	Provision Interest Receivable- Gati Infrastructue Sada Mangder Pvt Ltd	-	-	(38.95)	(38.95)	-	-	(38.95)	(38.95)
	TCI Hi-Ways Pvt Ltd	-	-	0.05	-	-	-	0.05	-
	TCI Finance Ltd	-	-	0.87	0.69	-	-	0.87	0.69
	Gati Kintetsu Express Private Ltd	-	-	-	-	27.85	1.18	27.85	1.18
	Gati Import Export Trading Limited	-	-	-	-	1.98	0.92	1.98	0.92
	Gati Kausar India Ltd.	-	-	-	-	1.92	1.37	1.92	1.37
	Zen Cargo Movers Private Ltd	-	-	-	-	2.18	1.38	2.18	1.38

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46. Related party disclosure (contd..)

C. Names of related parties and related party transactions as at 31st Mar, 2020 (contd..)

(₹ in Mn)

S L . No	Nature of Transaction	Associates		Entities in which Significant influence exists		Subsidiaries & Step down Subsidiaries		Total	
		As at 31st Mar 2020	As at 31st Mar 2019	As at 31st Mar 2020	As at 31st Mar 2019	As at 31st Mar 2020	As at 31st Mar 2019	As at 31st Mar 2020	As at 31st Mar 2019
d)	**Loans & Advances - Given**								
	Jaldi Traders & Commerce House Private Ltd	-	-	57.04	57.04	-	-	57.04	57.04
	TCI Hi-Ways Pvt Ltd	-	-	127.90	127.90	-	-	127.90	127.90
	Gati Logistic Parks Private Limted	-	-	-	-	179.03	198.42	179.03	198.42
	Gati Projects Private Limited	-	-	-	-	0.15	0.12	0.15	0.12
e)	**Trade Payable**								
	Gati Cargo Express (Shangai) Co Ltd.	-	-	-	-	6.60	2.41	6.60	2.41
	Zen Cargo Movers Private Ltd	-	-	-	-	1.43	0.37	1.43	0.37
	Gati Kintetsu Express Private Ltd	-	-	-	-	405.18	514.00	405.18	514.00
f)	**Other Payables**								
	Gati Kintetsu Express Private Ltd	-	-	-	-	37.85	18.49	37.85	18.49
	Gati Academy	-	-	0.16	3.01	-	-	0.16	3.01
	Gati Kausar India Limted					0.42	0.42	0.42	0.42
	P D Agarwal Foundation			0.21				0.21	-
g)	**Deposit and Advance (Taken)**								
	Gati Kintetsu Express Private Ltd	-	-	-	-	71.93	71.93	71.93	71.93
	P D Agarwal Foundation	-	-	-	25.00	-	-	-	25.00
	Gati Academy	-	-	-	2.10	-	-	-	2.10
h)	**Investment held for sale**								
	Gati Ship Limited	862.30	-	-	-	-	-	862.30	-
	Gati Ship Limited Provision	(862.30)	-	-	-	-	-	(862.30)	-
	Amrit Jal Ventures Private Ltd--- OCD`s	-	-	345.72		-	-	345.72	-
	Impairment on Amrit Jal Ventures Private Ltd - OCD's	-	-	(345.72)		-	-	(345.72)	-
	Gati Infrastructure Sada Mangder Private Ltd - OCD's	-	-	99.34		-	-	99.34	-
	Impairment on Gati Infrastructure Sada Mangder Private Ltd - OCD's	-	-	(99.34)		-	-	(99.34)	-
i)	**Corporate Guarantees given**								
	Gati Kintetsu Express Private Ltd	-	-	-	-	315.00	381.27	315.00	381.27
	Gati Infrastructure Private Limited	-	-	236.00	236.00	-	-	236.00	236.00
	Gati Infrastructure Private Limited (provided in books)	-	-	(236.00)	(236.00)	-	-	(236.00)	(236.00)
	Gati Import Export Trading Limited					34.11	-	34.11	-
	Gati Kausar India Ltd.	-	-	-	-	44.17	36.17	44.17	36.17

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for the year ended March 31, 2020

46. Related party disclosure (contd..)

D. Disclosure pursuant to Securities Exchange Board of India (listing obligation and disclosure requirement and regulation 2015) amended

The Loan and advances in the nature of loan to subsidaries.

(₹ in Mn)

Name of the Company	Amount as at 31.03.2020	Amount as at 31.03.2019
Gati Logistic Parks Private Limted	179.02	198.42

Company had given interest free loan to a wholly owned subsidiary amounting to ₹200.1 Mn towards financing a project in an earlier year, where the operation is yet to commence. The company is now in possession of the title deeds to the landed property of the subsidiary which is an adequate security

This is to confirm that the above transactions are (i) comprehensive and have been reviewed by Internal Auditors of the Company; (ii) in the ordinary course of Business and at arm's length; (iii) in compliance with applicable regulatory / statutory requirements including the Company's policy on Related Party Transactions.

The Management confirms that requisite test to determine the arms length has been done and documented and where required confirmation from the external experts has been obtained for such determination.

Related Party Transactions for which approval of the Audit Committee has been taken are well within the ambit of Omnibus Approval given by the Audit committee.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given for FY 2019-20.

The remuneration of directors is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.

47. Advance receivable includes ₹ 41.00 Mn due from Air India Limited. The matter was referred to the arbitral tribunal which passed an award dated September 17, 2013, directing Air India Limited to pay an amount of ₹ 267.49 Mn to the company along with interest @18 % per annum on the awarded amount. Air India filed an appeal before the Hon`ble High court at Delhi for setting aside of award , which directed Air India to deposit ₹ 225 Mn to the company. The Company has offered a property at Hyderabad as an interim collateral security in this respect is pending. The matter being pending before the Division Bench of the said Hon`ble High Court at New Delhi, no adjustment is considered necessary by the management and the dues from air India limited of ₹ 41.00 Mn included in advances receivable is considered good for recovery by the management.

48. The Company had given operational advances to few related parties aggregating ₹184.9 Mn in earlier years which is long over due and steps for recovery has already been initiated. The Company has sent legal notices to the said parties and further the Board of Directors has mandated the Managing Director to provide a personal guarantee which has not at been furnished. The management is hopeful of recovering the balance outstanding amount of ₹ 184.90 Mn over a period of time and in its opinion, provision is not required in the books of accounts.

49. The Investment in Gati Asia Pacific Pte Ltd, Singapore a 100 % wholly owned subsidiary, has been tested for impairment by independent agent and accordingly an amount of ₹76 Mn has been provided for and is part of other Expenses.

50. 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 ₹1,000 Mns on January 21, 2020, Consequently paid up equity share capital increased to ₹243.89 Mns from ₹217.20 Mns and the Share premium increased to ₹3,412.33 Mns from ₹2,439.00 Mns 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 ₹1,000 Mns received, as equity infusion an amount of ₹230.10 mns has been deployed for working capital and the balance of ₹769.90 Mns is invested temproraily in mutual funds.

Notes to Financial Statements

for the year ended March 31, 2020

b) 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 which includes 20.83% as per the above para "a" as on March 31, 2020.

51. COVID-19 Financial Impact:

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

52. The Investment in AmritJal Ventures Pvt Ltd (AJVPL), of ₹187.5 Mn 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 statements of the year ended March 31, 2020.

53. Employee share-based payment:

Details of grants under various series are summarised below

(₹ in Mn)

S.No.	Description / Scheme No.	Year ended March 31, 2020		Year ended March 31, 2019	
		ESOS-2006	ESOS-2007	ESOS-2006	ESOS-2007
1	Date of shareholders' approval	11.10.2006	13.10.2007	11.10.2006	13.10.2007
2	Total number of options approved under ESOS	17,82,500	17,55,720	17,82,500	17,55,720
3	Vesting requirements	Commences at the expiry of two years from the date of grant			
4	Exercise price or pricing formula	At a discount of 25% on the average of the weekly high and low of the closing prices for the Company's Equity Shares quoted on the Bombay Stock Exchange and / or National Stock Exchange during the four weeks preceding the date of grant of the options.			
5	Maximum term of options granted	4 years			
6	Source of shares (primary, secondary or combination)	Primary			
7	Variation of terms of options	Nil			
8	Method used to account for ESOS - Intrinsic or fair value	The company has calculated the employee compensation cost using the fair value of the stock options			

Notes to Financial Statements

for the year ended March 31, 2020

53. Employee share-based payment: (Contd..)

(₹ in Mn)

S.No.	Description	Year ended March 31, 2020		Year ended March 31, 2019	
	Scheme No.	ESOS-2006	ESOS-2007	ESOS-2006	ESOS-2007
1	Number of options outstanding at the beginning of the year (un-granted)	6,54,988	9,65,200	5,90,988	9,59,050
2	Number of options granted during the year	Nil	Nil	Nil	Nil
3	Number of options forfeited/lapsed during the year	1,48,000	0	64,000	6,150
4	Number of options vested during the year	1,48,000	0	1,09,500	1,84,992
5	Number of options exercised during the year	0	0	87,000	1,78,842
6	Number of shares arising as a result of exercise of options	0	70500*	87,000	1,08,342
7	Amount realized by exercise of options (Rs.)	0	60,22,110	75,80,310	49,40,395
8	Loan repaid by the Trust during the year from exercise price received	NA	NA	NA	NA
9	Number of options outstanding at the end of the year (out of total number of options approved under ESOS)	8,02,988	9,65,200	6,54,988	9,65,200
10	Number of options exercisable at the end of the year (out of total number of options approved under ESOS)	94,905	16,095	2,42,905	16,095

(₹ in Mn)

	Stock Options granted on	Weighted average exercise price (in ₹)	Weighted average Fair value (in ₹)	Expected Volatility (%)	Expected Dividend (%)	Life of Options granted (Years)	Risk free interest rate (%)
11	06.02.2014	45.6	69.5	9.93%	1.69%	4	8%
	06.08.2014	85.42	113.79	12.59%	1.73%	4	8%
	26.04.2016	87.13	116.18	-6.92%	0.81%	4	8%
	04.11.2016	103.4	137.94	0.72%	0.81%	4	8%
	Employee wise details of options granted to						
12	a. Key managerial personnel			Nil	Nil	Nil	Nil
	b. Any other employee who receive a grant of options in any one year of option amounting to 5% or more of option granted during the year			Nil	Nil	Nil	Nil
	c. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants & conversions) of the Company at the time of grant			Nil	Nil	Nil	Nil
13	Description of the method and significant assumptions used during the year to estimate the fair value of the options, including the following weighted average information	The Black Scholes option-pricing model was developed for estimating fair value of traded options that have no vesting restrictions and are fully transferable. Since option-pricing models require use of substantive assumptions, changes therein can materially affect fair value of options. The option pricing models do not necessarily provide a reliable measure of fair value of options.					
14	The main assumptions used in the Black Scholes option-pricing model during the year were as follows:						
	(i) Weighted average values of share price			Refer point no. 11		Refer point no. 11	
	(ii) exercise price			Refer point no.11		Refer point no.11	
	(iii) Risk free interest rate			8%		8.00%	
	(iv) Expected Life of Options			3 years		3 years	
	(v) Expected volatility			26.04.2016 (-6.92%), 04.11.2016 (0.72%)		26.04.2016 (-6.92%),04.11.2016 (0.72%)	

Notes to Financial Statements

for the year ended March 31, 2020

53. Employee share-based payment: (Contd..)

(₹ in Mn)

	Stock Options granted on	Weighted average exercise price (in ₹)	Weighted average Fair value (in ₹)	Expected Volatility (%)	Expected Dividend (%)	Life of Options granted (Years)	Risk free interest rate (%)
	(vi) Dividend yield			0.81%		0.81%	
15	The method used and the assumptions made to incorporate the effects of expected early exercise			NA			
16	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility			We have considered the historical price of the company at the stock exchange, where the trading volume is high. The average closing price on weekly basis was taken to calculate the volatility of the shares.			
17	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.			No			

* 70500 shares are arising as a result of exercise of options during the Financial Year 2018-19

54. The Operating loss 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.

55. Previous GAAP figures have been reclassified/ regrouped wherever necessary.

56. The financial statement are approved for issue by the Audit Committee and by the Board of Directors at its meeting held on July 3, 2020

As per our report of even date

For Singhi & Co.
Chartered Accountants
ICAI Firm Registration No: 302049E

Anurag Singhi
Partner
Membership No: 066274
Place: Kolkata
Date: July 3, 2020

For and on behalf of the Board of Directors

Mahendra Agarwal
Founder & CEO
DIN: 00179779

Peter H Jayakumar
Chief Financial Officer

Place: Hyderabad
Date: July 3,2020

N Srinivasan
Director
DIN: 00004195

T S Maharani
Company Secretary
M No: F8069

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:

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



Consolidated Financial Statements

Independent Auditor's Report

To the Members of **Gati Limited**

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of Gati Limited (hereinafter referred to as "the Holding Company") and its subsidiaries and step down subsidiaries (the Holding Company and its subsidiaries including step down subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2020, the consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity, the consolidated Cash Flow Statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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 financial statements and on the other financial information of the subsidiaries and step down subsidiaries, except for the indeterminate effect of the matter described in Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, their consolidated loss including other comprehensive income, their consolidated statement of changes in equity and the consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw your attention to:

i) Note 55 to the consolidated financial statements, which states that in earlier years, the Company and one of the subsidiary, Gati Kintetsu Express (P) Ltd, has given operational advances to few parties aggregating Rs. 206.75 million (net of provision Rs. 21.85 million) 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 the said parties. No impairment allowance for uncertainty in collectability has been recognized against above advances. Based on the information received from the management of the companies regarding the assumptions used in assessing the recoverability of this amount, we were unable to determine the impact on the consolidated financial statements, of a potential adjustment for impairment that might have been necessary in order to present the balance at its estimated recoverable value.

ii) Note 56 to the consolidated financial statements, which states that 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. 83.77 million 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 consolidated financial statements.

iii) Note 57 (b) to the consolidated financial statements, in one of the subsidiary, Gati Kintetsu Express (P) Ltd, a recoverable of Rs. 14.09 million 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. Upon expiry of the permissible tenure for refund of said excess remuneration, there is a delayed recovery from the director for Rs. 6.30 million and non-recovery of Rs. 7.79 million 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.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" 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 (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated 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 and audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' section below, is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

Material Uncertainty Related to Going Concern

Attention is drawn to:

a. As stated in Note 58 (b) to the consolidated financial statements, 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 ₹13.02 million for the financial year ended 31st March 2020 and, as of that date, the subsidiary's current liability and total liability exceeded its current assets and total assets by Rs.1.50 million respectively. These events and conditions, indicate that a material uncertainty exists that may cast significant doubt on the subsidiary's ability to

continue as going concern. Considering the continued financial support as and when required from the shareholders of the said subsidiary, the management is of the view that going concern basis of accounting is appropriate for preparation of the said subsidiaries' financial statements.

b. Note 58(a) to the consolidated financial statements, which states that in one of the subsidiary, Gati Kausar India Ltd has incurred a net loss of Rs.141.60 million during the year ended 31 March 2020 and as of that date, the subsidiary's accumulated losses amounts to Rs. 924.10 million which has resulted in complete erosion of the net worth of the said subsidiary, and the subsidiary's current liabilities exceeded its current assets by Rs. 853.30 million. 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 subsidiary'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 said subsidiary as stated in the aforesaid note, the management is of the view that going concern basis of accounting is appropriate for preparation of the subsidiary's financial statements.

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

Emphasis of Matter

We draw your attention to Note 57 (a) to the consolidated financial statements, which states that in one of the subsidiary, Gati Kintetsu Express (P) Ltd, managerial remuneration paid to two executive directors of the said subsidiary 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. 40.31 million. Pending necessary approvals for the excess remuneration from members of the said subsidiary, no adjustment to the consolidated financial statements has been made.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the 'Basis for Qualified Opinion' section above, we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our qualified audit opinion on the consolidated financial statements.

Sr. No	Key Audit Matter	How our audit addressed the key audit matters
1	**Impairment of Goodwill (See Note 4 to the Consolidated Financial Statements)** The Group holds goodwill having gross value of ₹ 4257.98 million on the statements of financial position. The determination of the recoverable amount of goodwill is a key judgment area as small changes in assumptions made, notably in respect of the future performance of the business and the discount rates applied to future cash flows projections can result in material different outcomes.	Our audit with respect to impairment testing of goodwill included the following: ▪ Engaging internal fair valuation experts to challenge management's underlying assumptions and appropriateness of the valuation model used. ▪ Comparing the Group's assumptions with comparable benchmarks in relation to key inputs such as long-term growth rates and discount rates. ▪ Assessing the appropriateness of the forecasted cash flows within the budgeted period based on their understanding of the business and sector experience.
2	**Recoverability of Trade Receivable (See Note 16 to the Consolidated Financial Statements)** The gross balance of trade receivables as at March 31, 2020 amounted to ₹ 2390.44 million. Due to the inherent subjectivity that is involved in making judgments in relation to credit risk exposures to determine the recoverability of trade receivables, recoverability of trade receivables is considered a key audit matter.	Our audit with respect to determining recoverability of trade receivables included the following: ▪ Evaluating the Group's processes and controls relating to the monitoring of trade receivables and review of credit risks of customers. ▪ Examination of management's assessment of the credit review procedures of trade receivables, obtaining trade receivable confirmations, and mapping receipts from the trade receivables after the year end on test basis. ▪ Evaluating management's assumptions used to determine the expected credit loss on trade receivables impairment amount, through detailed analyses of ageing of receivables to historical patterns of receipts, assessment of material overdue individual trade receivables and risks specific to the trade receivables.

3 Evaluation of uncertain tax positions (See Note 43 (I) to the Consolidated Financial Statements)

The Group has material uncertain tax positions including matters under dispute which could have a significant impact on the Consolidated Financial Statement, if the potential expenses were to materialise.

The outcome of such matters is uncertain and the position taken by management involves significant judgment.

Our audit with respect to evaluation of uncertain tax positions included the following:

- Assessing the appropriateness of the design and implementation of the Group's controls over the assessment of uncertain tax position including matters under dispute and completeness of disclosures. Supporting documentation are tested for the positions taken by the management, meetings are conducted with legal team, to confirm the operating effectiveness of these controls.
- Involving our internal experts to review the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating the management's position on these uncertain tax positions including matters under dispute.
- Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2019 to evaluate whether any change was required in the management's position on these uncertainties as at March 31, 2020.

4 Assessment of going concern basis for a subsidiary (See Note 58(a) to the Consolidated Financial Statements)

In one of the subsidiary, Gati Kausar India Ltd has incurred a net loss of ₹.141.67 million during the year ended 31 March 2020 and as of that date, the subsidiary's accumulated losses amounts to ₹ 924.17 million which has resulted in complete erosion of the net worth of the said subsidiary, and the subsidiary's current liabilities exceeded its current assets by Rs. 853.26 million. These conditions along with matters set forth in the said note and as detailed in paragraph of 'Material Uncertainty Related to Going Concern' section above, indicate the existence of a material uncertainty that may cast significant doubt about the subsidiary's ability to continue as a going concern.

As reported to us by the component auditor, the following procedure have been performed by them in relation to assessment of appropriateness of going concern basis of accounting:

- Obtained understanding of the management' s process for identifying all events or conditions that could impact the subsidiary's ability to continue as a going concern, and the process to assess the corresponding mitigating factors existing against each such event or condition.
- Evaluated the design and tested the operating effectiveness of key controls around aforesaid identification of events or conditions and mitigating factors, and controls around cash flow projections prepared by the management.
- Reconciled the cash flow projections to future business plans of the subsidiary as approved by the Board of Directors as well as the restructuring plan referred to in the aforesaid note to the financial statements.
- Tested the appropriateness of the key assumptions used in the cash flow projections by considering our understanding of the business, past performance of the Company, external data and market conditions apart from discussing these assumptions with the management and the Audit Committee. Also, evaluated the appropriateness of judgments applied by the management while assessing the possible impact of COVID-19 on such assumptions as described in note 34 to the financial statements.
- Evaluated the historical accuracy of the cash flow projections made by the management in prior periods.
- Tested the arithmetical accuracy of the calculations including those related to sensitivity analysis performed by the management;
- Performed independent sensitivity analysis on aforementioned key assumptions used in cash flow projections to test the adequacy of the available headroom.
- Evaluated the appropriateness of the disclosures made in the financial statements in respect of going concern basis of accounting in accordance with applicable accounting standards.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS). The respective 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 the Group 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 consolidated financial statements 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 financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group 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 also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 financial statements.

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 financial statements, 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 on whether the Holding Company and its subsidiary companies which are companies incorporated in India has adequate internal financial controls system 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.
- Conclude on the appropriateness of management's 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 ability of the Group 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 consolidated financial statements 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 financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within

the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, 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. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements 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 consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

i) We did not audit the financial statements and financial information of six subsidiaries whose financial statements and financial information reflect total assets of ₹1236.31 million and total revenue of ₹ 2036.62 million and net cash inflow of ₹ 11.89 million. These financial statements and other financial information have been audited by other auditors, whose reports have been furnished to us by the management.

Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.

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

Our opinion on the consolidated financial statement is not qualified in respect of the above matters with regard to our reliance on the work done and the reports of the other auditors and the financial statements and information certified by the management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'Other Matter' section we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, except for matter described in the 'Basis for Qualified Opinion' section above, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) Except for the indeterminate effects of the matter described in the 'Basis for Qualified Opinion' section above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the relevant rules thereon.

(e) The outcome of the matters described in the 'Basis for Qualified Opinion' section above in our opinion, may have an adverse effect on the functioning of the group.

(f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and its subsidiary companies incorporated in India, none of

the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) The reservation relating to maintenance of accounts and other matters connected therewith are as stated in the 'Basis for Qualified Opinion' section above.

(h) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary/step down subsidiary companies incorporated in India, refer to our separate Report in Annexure "A" to this report;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act except in case of a subsidiary, Gati Kintetsu Express (P) Ltd. managerial remuneration paid to two Executive directors of the subsidiary which is in excess of the limit prescribed under Schedule V of the Companies Act, 2013 by Rs. 40.31 million for the financial year 2019-20, which is subject to the approval of shareholders in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act; and

(j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other Matter' section:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 43 (I), 54 and 55 to the consolidated financial statements;

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund other than one instance of delay for Rs. 0.65 million on account of unclaimed dividend declared on August 10, 2012.

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

(Anurag Singhi)
Partner
Membership No. 066274
UDIN: 20066274AAAABA5681

Date: July 3, 2020
Place: Kolkata

Annexure – A to the Independent Auditor's Report

(Referred to in paragraph (h) with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls over financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Gati Limited ('the Holding Company') and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the company, its subsidiary companies which are companies incorporated in India based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in 'Other Matters' section below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system over financial reporting of the Holding Company and its subsidiaries, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A group's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis of Qualified opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the one of the subsidiary Company's (Gati Kintetsu Express Private Limited) internal financial controls over financial reporting as at March 31, 2020:

a. The subsidiary company's internal financial control related to contract revenue mapping in the Information technology system is not operating effectively and resulting in inadequate control over these processes. Management has represented that the remediation plan and necessary implementation steps have been taken.

b. The subsidiary company did not have an effective integration between various functional software relating to sales and expenses with the accounting software resulting in weak internal control and reconciliation differences in Control Accounts in areas of trade receivables, trade payables, security deposits and operational advances.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, except for the possible effects of the material weakness described in the 'Basis of Qualified Opinion' section above on the achievement of the objectives of the control criteria the Group has maintained, in all material respects, adequate internal financial controls over financial reporting as of March 31, 2020, based on the internal control over financial reporting criteria established by the group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 consolidated financial statements of the Company, and the material weakness does not affect our opinion on the consolidated financial statements of the Company.

Other Matters

Our report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to consolidated financial statements of the Holding Company, insofar as it relates to the subsidiary companies, which are companies incorporated in India and not audited by us, is based on the corresponding reports of the reports of the other auditors.

Our opinion is not modified in respect of this matter.

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

(Anurag Singhi)
Partner
Membership No. 066274
UDIN: 20066274AAAABA5681

Date: July 3, 2020
Place: Kolkata

Consolidated Balance Sheet

as at March 31, 2020

(₹ in Mn)

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	3A	5,229.30	5,673.91
Capital Work in Progress	3B	-	51.14
Right of use assets	3C	846.15	-
Goodwill	4	4,257.98	4,257.98
Other Intangible Assets	5	35.47	30.13
Intangible Assets under Development	6	20.72	-
Investment in Associates	7	-	-
Financial Assets			
Investments	8	-	24.32
Loans	9	55.95	116.48
Deferred tax Assets (Net)	10	63.91	42.46
Non-Current tax Assets (Net)	11	959.92	706.55
Other non-current assets	12	25.44	220.86
		11,494.84	**11,123.84**
CURRENT ASSETS			
Inventories	13	96.27	119.86
Financial assets			
Current Investments	14	778.20	-
Loans	15	212.15	125.22
Trade receivables	16	2,053.40	2,389.31
Cash and cash equivalents	17A	336.63	173.75
Bank Balances other than above	17B	149.27	303.53
Other Financial Assets	18	292.87	326.73
Current Tax Assets	19	-	1.43
Other current assets	20	226.82	316.67
Assets classified as held for sale	21	300.94	16.01
		4,446.55	**3,772.51**
TOTAL ASSETS		**15,941.39**	**14,896.35**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	22	243.89	217.08
Other Equity	23	7,187.28	7,027.18
Equity attributable to owners of the company		**7,431.17**	**7,244.26**
Non controlling interest		1,035.04	1,220.46
TOTAL EQUITY		**8,466.21**	**8,464.72**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
Borrowings	24	970.48	1,686.85
Lease Liabilities	25	692.76	-
Other financial liabilities	26	6.75	69.44
Provisions	27	80.80	80.96
		1,750.79	**1,837.25**
CURRENT LIABILITIES			
Financial liabilities			
Borrowings	28	1,538.79	1,137.33
Lease Liabilities	25	98.98	-
Trade payables	29		
(a) Total outstanding dues of Micro and Small Enterprises		11.66	-
(b) Total outstanding dues of creditors other than Micro and Small Enterprises		1,151.77	1,490.46
Other financial liabilities	30	2,224.85	1,598.53
Other current liabilities	31	323.55	344.98
Current Tax Liabilities	32	355.89	0.41
Provisions	33	18.90	22.67
		5,724.39	**4,594.38**
TOTAL LIABILITIES		**7,475.18**	**6,431.63**
TOTAL EQUITY AND LIABILITIES		**15,941.39**	**14,896.35**

The accompanying significant accounting policies and notes form an integral part of the Consolidated Financial Statements

As per our report of even date

For Singhi & Co.
Chartered Accountants
ICAI Firm Registration No: 302049E

Anurag Singhi
Partner
Membership No: 066274
Place: Kolkata
Date: July 3, 2020

For and on behalf of the Board of Directors

Mahendra Agarwal
Founder & CEO
DIN: 00179779

Peter H Jayakumar
Chief Financial Officer

Place: Hyderabad
Date: July 3,2020

N Srinivasan
Director
DIN: 00004195

T S Maharani
Company Secretary
M No: F8069

Consolidated Statement of Profit and Loss

for the year ended March 31, 2020

(₹ in Mn)

		Notes	Year ended March 31, 2020	Year ended March 31, 2019
I	**INCOME**			
	Revenue from Operations	34	17,116.72	18,631.94
	Other Income	35	132.57	159.56
	TOTAL INCOME (I)		**17,249.29**	**18,791.50**
II	**EXPENSES**			
	Operating Expenses	36	9,499.18	10,447.88
	Purchase of Stock-in-trade		3,712.43	3,845.15
	Changes in Inventories of Stock-in-Trade	37	22.80	(31.49)
	Employee Benefit Expense	38	1,883.08	1,863.62
	Finance Costs	39	536.37	452.72
	Depreciation and Amortisation expense	40	436.95	295.15
	Other Expenses	41	1,642.75	1,563.83
	TOTAL EXPENSES (II)		**17,733.56**	**18,436.86**
III	**PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)**		**(484.27)**	**354.64**
IV	Exceptional Items		-	-
V	**PROFIT/(LOSS) BEFORE TAX (III-IV)**		**(484.27)**	**354.64**
VI	**TAX EXPENSES**	42		
	Current Tax		14.12	111.47
	Deferred Tax		(19.22)	12.84
	Income Tax for earlier years		363.53	-
	TOTAL TAX EXPENSES		**358.43**	**124.31**
VII	**PROFIT/(LOSS) FOR THE YEAR (V-VI)**		**(842.70)**	**230.33**
VIII	**OTHER COMPREHENSIVE INCOME (OCI)**			
	A) Items not to be reclassified to profit or loss in subsequent periods:			
	Remeasurement gains/ (losses) on defined benefit plans		(8.32)	(13.88)
	Equity investments through Other Comprehensive income		(7.78)	(17.22)
	Income tax effect on above items		2.68	3.65
	B) Items will reclassified to profit or loss subsequent periods:			
	Exchange difference arising on translation of foreign operations		0.61	(3.96)
	Income tax effect on above items		-	-
	OTHER COMPREHENSIVE INCOME FOR THE YEAR (NET OF TAX)		**(12.81)**	**(31.41)**
IX	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VII+VIII)**		**(855.51)**	**198.92**
X	**Profit/(Loss) for the year**		**(842.70)**	**230.33**
	Attributable to:			
	Owners of the company		(782.90)	183.49
	Non-Controlling Interests		(59.80)	46.84
	Total comprehensive income for the year		**(855.51)**	**198.92**
	Attributable to:			
	Owners of the company		(793.25)	154.52
	Non-Controlling Interests		(62.26)	44.40
	EARNINGS PER EQUITY SHARE			
	(NOMINAL VALUE PER SHARE: ₹ 2/- (PREVIOUS YEAR ₹2/-)			
	Basic (In ₹)		(7.04)	1.69
	Diluted (In ₹)		(7.03)	1.69

The accompanying significant accounting policies and notes form an integral part of the Standalone Financial Statements

As per our report of even date

For Singhi & Co.
Chartered Accountants
ICAI Firm Registration No: 302049E

Anurag Singhi
Partner
Membership No: 066274
Place: Kolkata
Date: July 3, 2020

For and on behalf of the Board of Directors

Mahendra Agarwal
Founder & CEO
DIN: 00179779

Peter H Jayakumar
Chief Financial Officer

Place: Hyderabad
Date: July 3,2020

N Srinivasan
Director
DIN: 00004195

T S Maharani
Company Secretary
M No: F8069

Consolidated Cash Flow Statement

for the year ended March 31, 2020

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
A: Cash Flow From Operating Activities		
Net Profit/(Loss) Before Taxes as per Statement of Profit and Loss	(484.27)	354.64
Adjustments For :		
Depreciation and Amortisation expense	436.95	295.15
Net Gain on disposal of Property, plant & equipment	(9.71)	(3.94)
Impairment allowance for Investment	-	0.05
Expenses on Employee Stock Option scheme	(0.88)	0.07
Finance Costs	536.37	452.72
Interest Income	(19.81)	(58.67)
Interest on refund of Income tax	(8.58)	-
Net Foreign Exchange Gain	(1.54)	-
Allowance for Doubtful Receivables	98.40	16.64
Capital work-in-progress & Other advance written off	7.20	-
Bad debts and irrevocable balances written off (Net of Provision)	57.20	1.25
Provision towards capital expenditure	-	18.06
Provision towards advance	33.63	-
Net Gain on Investments measured at FVTPL	(6.24)	-
Liability no longer required written back	(46.95)	(50.00)
Operating Profit Before changes in operating assets and liabilities	**591.77**	**1,025.97**
Adjustment for changes in operating assets and liabilities:		
Decrease / (Increase) In Trade Receivables	176.39	(54.23)
Decrease / (Increase) In Inventories	23.59	(29.66)
Decrease / (Increase) in Other Current Assets	66.24	10.14
Decrease / (Increase) in Other Current Financial Assets	29.49	111.18
Decrease / (Increase) in Loans and Other Non Current Assets	7.34	(169.58)
Increase / (Decrease) In Trade Payables	(325.47)	250.55
Increase / (Decrease) in Non Current Liabilities	(60.47)	10.70
Increase / (Decrease) in Current Financial Liabilities	39.97	31.95
Increase / (Decrease) in Current Liabilities	3.57	15.59
Increase / (Decrease) in Provisions	(3.93)	21.91
Cash generated from Operating Activities	**548.49**	**1,224.53**
Direct Taxes paid (net of refunds)	(265.53)	(237.57)
Net Cash generated/(used) in Operating Activities - (A)	**282.96**	**986.95**
B: Cash Flow From Investing Activities		
Sale proceeds from Property, Plant and Equipment	69.12	97.89
Purchase of Property, Plant and Equipment including Capital work in progress	(324.11)	(459.04)
Purchase of Current Investments	(771.96)	-
Sale proceeds from Current / Non current Investments	16.54	0.13
Interest Received	24.20	17.85
Investment in/Proceeds from bank Fixed Deposit (Net)	154.26	(77.05)
Net Cash generated/(used) in Investing Activities (B)	**(831.95)**	**(420.21)**

Consolidated Cash Flow Statement

for the year ended March 31, 2020

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
C: Cash Flow From Financing Activities		
Proceeds from issue of Equity Shares (Net of Issue expenses)	1,000.71	11.32
Proceeds from Public deposits	18.58	36.69
Repayment of Public desposits	(24.44)	(38.18)
Proceeds of Long term borrowings	412.09	427.62
Repayment of Long term borrowings	(407.64)	(501.11)
Payment of Principal Portion of Lease liabilities	(83.14)	-
Payment of interest on Lease liabilities	(85.88)	-
Movement in Short term borrowings (Net)	401.46	87.05
Dividend Paid including Tax	(143.81)	(160.34)
Finance Costs	(376.06)	(447.15)
Net Cash generated/(used) from Financing Activities (C)	**711.87**	**(584.10)**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**162.88**	**(17.36)**
Cash and Cash Equivalents as at the beginning of the year	173.75	191.11
Cash and Cash Equivalents as at the Year ended	**336.63**	**173.75**

Notes:

1. The above Statement of Cash Flow has been prepared under the " Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

2. Components of cash and cash equivalents

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Balance with Banks:		
On Current Accounts	8.09	10.75
Deposits with original maturity of less than three months	313.68	158.60
Cheques on hand		
Cash on hand	14.86	4.40
Cash and Cash Equivalents (Refer Note 17A)	**336.63**	**173.75**

The accompanying significant accounting policies and notes form an integral part of the Consolidated Financial Statements

As per our report of even date

For Singhi & Co.
Chartered Accountants
ICAI Firm Registration No: 302049E

Anurag Singhi
Partner
Membership No: 066274
Place: Kolkata
Date: July 3, 2020

For and on behalf of the Board of Directors

Mahendra Agarwal
Founder & CEO
DIN: 00179779

Peter H Jayakumar
Chief Financial Officer

Place: Hyderabad
Date: July 3,2020

N Srinivasan
Director
DIN: 00004195

T S Maharani
Company Secretary
M No: F8069

Consolidated Statement of Changes in Equity

for the year ended March 31, 2020

A) Equity Share Capital

	No of Shares	(₹ In Mn)
Balance as at March 31, 2018	**10,83,46,795**	**216.69**
Changes in Equity Share Capital for the year ended March 31, 2019	1,95,342	0.39
Balance as at March 31, 2019	**10,85,42,137**	**217.08**
Changes in Equity Share Capital for the year ended March 31, 2020	1,34,03,840	26.81
Balance as at March 31, 2020	**12,19,45,977**	**243.89**

B) Other Equity

(₹ In Mn)

Particulars	Reserves and Surplus							Other Comprehensive Income		Equity attributable to owners of the company	Non controlling Interest	Non controlling Interest
	Securities Premium	General Reserve	Capital Reserve	Tonnage Tax Reserve (Utilized)	Share Option Outstanding account	Special Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	Foreign Currency Translation Reserve			
Balance as at March 31, 2018	**2,415.41**	**1,037.77**	**208.39**	**92.91**	**22.56**	**1,487.04**	**1,884.85**	**26.43**	**(107.28)**	**7,068.08**	**1,140.24**	**8,208.32**
Profit for the year	-	-	-	-	-	-	183.49	-	-	183.49	46.84	230.33
Transition Adjustment Ind AS 115							(59.31)			(59.31)	(19.38)	(78.69)
Adjustments during the year	-	-	-	-	(6.97)	(16.37)	(16.91)	-	1.79	(38.46)	-	(38.46)
Issue of equity shares on exercise of employee stock options	17.89	-	-	-	-	-	-	-	-	17.89	-	17.89
Adjustments to Securities Premium	-	-	-	-	-	-	-	-	-	-	100.00	100.00
Final dividend on Equity Shares	-	-	-	-	-	-	(97.69)	-	-	(97.69)	(37.16)	(134.85)
Tax on dividend	-	-	-	-	-	-	(17.85)	-	-	(17.85)	(7.64)	(25.49)
Other Comprehensive income	-	-	-	-	-	-	(8.23)	(16.79)	(3.96)	(28.97)	(2.44)	(31.41)
Balance as at March 31, 2019	**2,433.30**	**1,037.77**	**208.39**	**92.91**	**15.59**	**1,470.67**	**1,868.35**	**9.64**	**(109.45)**	**7,027.18**	**1,220.46**	**8,247.64**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2020

B) Other Equity (CONTD..)

(₹ In Mn)

Particulars	Reserves and Surplus							Other Comprehensive Income		Equity attributable to owners of the company	Non controlling Interest	Non controlling Interest
	Securities Premium	General Reserve	Capital Reserve	Tonnage Tax Reserve (Utilized)	Share Option Outstanding account	Special Reserve	Retained Earnings	Equity Instrument through Other Comprehensive Income	Foreign Currency Translation Reserve			
Profit/(Loss) for the year	-	-	-	-	-	-	(782.90)	-	-	(782.90)	(59.80)	(842.70)
Employee stock options lapsed	-	8.24	-	-	(8.24)	-	-	-	-	-	-	-
Share Issue Expense	(4.48)	-	-	-	-	-	-	-	-	(4.48)		(4.48)
Adjustments during the year *							86.07	(1.90)		84.17	(84.10)	0.07
Issue of equity shares on exercise of employee stock options	7.89	-	-	-	(2.84)	-	-	-	-	5.05	-	5.05
Issue of equity shares (Refer note: 60)	973.33	-	-	-	-	-	-	-	-	973.33	-	973.33
Final Dividend on Equity Shares	-	-	-	-	-	-	(86.89)	-	-	(86.89)	(32.40)	(119.29)
Tax on Dividend	-	-	-	-	-	-	(17.86)	-	-	(17.86)	(6.66)	(24.52)
Other Comprehensive income	-	-	-	-	-	-	(3.18)	(7.74)	0.61	(10.31)	(2.46)	(12.77)
Balance as at March 31, 2020	**3,410.04**	**1,046.01**	**208.39**	**92.91**	**4.51**	**1,470.67**	**1,063.59**	**-**	**(108.84)**	**7,187.28**	**1,035.04**	**8,222.32**

* Includes ₹ 84.10 Mn for changes in ownership interest.

The accompanying significant accounting policies and notes form an integral part of the ConsolidatedFinancial Statements

As per our report of even date

For Singhi & Co.
Chartered Accountants
ICAI Firm Registration No: 302049E

Anurag Singhi
Partner
Membership No: 066274
Place: Kolkata
Date: July 3, 2020

For and on behalf of the Board of Directors

Mahendra Agarwal
Founder & CEO
DIN: 00179779

Peter H Jayakumar
Chief Financial Officer

Place: Hyderabad
Date: July 3,2020

N Srinivasan
Director
DIN: 00004195

T S Maharani
Company Secretary
M No: F8069

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

1) Corporate and general information:

The consolidated financial statements comprise financial statements of Gati limited (the Company) and its subsidiaries (collectively, the Group) for the year ended 31st March, 2020. The Company is a public limited company incorporated in 1995 under provisions of the companies Act, 1956 having its Registered and Corporate Office at Plot no.20, Survey no.12, Kothaguda, Kondapur, Hyderabad - 500 084. Telangana, India. The company is primarily engaged in the business of Express distribution and Supply chain solution through Surface, Air and Rail logistics, Supply chain management (SCM) , E-Commerce logistics, Freight Forwarding (Domestic and International) and Cold Chain - transportation and Warehousing, Fuel station. The company is listed on National Stock exchange (NSE) and Bombay Stock Exchange (BSE).

2) Basis of Accounting

2.1 Statement of Compliance

These Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate affairs pursuant to Section 133 of the Companies Act, 2013 (the Act), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act and other accounting principles generally accepted in India.

2.2 Basis of Measurement

The financial statements have been prepared on a going concern basis using historical cost, except as stated below -

- Financial Instruments - Measured at Fair value/ Amortised cost;
- Plan Assets under defined benefit plans–Measured at fair value;
- Employee share based payments- Measured at fair value

2.3 Functional and Presentation Currency

All financial information presented in Indian rupees (INR) which is the Company's functional currency, has been rounded off to the nearest two decimal of millions, unless otherwise stated.

2.4 Estimation of uncertainties relating to the global health pandemic from COVID-19

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and unbilled revenues. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

2.5 Use of Estimates and Judgements

The preparation of the consolidated financial statements requires management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, income and expenses, the accompanying disclosures and disclosures of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumption in these financial statements have been disclosed below. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates and judgments used are as below:

(i) Defined benefit obligation

(ii) Recognition of current tax and deferred tax

(iii) Recognition and measurement of provisions and contingencies

(iv) Fair value measurement of Financial instruments

(v) Provision for Doubtful Debts and advances

(vi) Share based payments

(vii) Impairment of Goodwill

2.6 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2020. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a subsidiary of the company uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that subsidiaries financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31, 2020. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares additional financial information as on the same date for consolidation purpose to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation Procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses of the parent with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Eliminate in full intragroup assets and liabilities, equity, income, expenses relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and Property, Plant and Equipment, are eliminated in full). Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

(c) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are translated at the average rates prevailing during the period. Assets, liabilities are translated at the closing rate. Any exchange difference arising on translation is recognised in the "Foreign Currency Translation Reserve".

(d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

(e) Investment in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate subsequently reports profits, the entity resumes

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate' in the statement of profit or loss.

2.7 Current Vs Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

2.8 Recent accounting pronouncements - Standard issued but not yet effective

Ministry of corporate affairs (MCA) notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2020.

Significant Group Accounting Policies:

A summary of the significant accounting policies applied in the preparation of the consolidated financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the consolidated financial statements.

2.9 Property, plant and equipment

Recognition and Measurement:

- Property, plant and equipment (PPE) held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and cumulative impairment losses (if any).
- Cost comprises of cost of acquisition or construction inclusive of duties (net of tax) incidental expenses, interest and erection/ commissioning expenses incurred up to the date asset is put to use. Administrative and other general overhead expenses that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalized as a part of cost of PPE. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

Capital work in progress and Capital Advances:

Capital working progress represents Property Plant and Equipment that are not yet ready for their intended use as at the Balance sheet date. Capital advances given towards purchase/ acquisition of PPE outstanding at each balance sheet date are disclosed separately as other Non-current Assets or Other Current Asset.

Non-current assets held for sale

Non-current assets held for sale are presented separately in the Balance Sheet when the following criteria are met

- the Company is committed to selling the assets;
- the assets are available for sale immediately;
- an active plan of sale has commenced; and
- sale is expected to be completed within 12 months.

Assets held for sale and disposal groups are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortised or depreciated.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Subsequent Expenditure:

- Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Items such as spare parts, stand by equipments and servicing equipments that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.
- Cost in nature of repair and maintenance expenses are charged to the statement of profit or loss during the reporting period in which they are incurred.

Depreciation and Amortisation:

- Depreciation on tangible assets is provided on straight-line method at the rates determined based on the useful lives of respective assets as prescribed under Schedule II of the Companies Act, 2013.
- Freehold land is not depreciated.
- Cost of leasehold land is amortised over the period of the lease or its useful life, whichever is lower.
- Intangible assets are amortised on straight line basis over its estimated useful life.
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (upto) the date on which asset is ready for use (disposed off).

De-recognition Assets:

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss is recognized in the statement of profit and loss.

2.9 Intangible Assets:

Intangible assets are stated at acquisition cost net of accumulated amortisation or cumulative impairment, if any. The Group capitalizes identifiable costs relating to development of internally generated software and these are stated net of accumulated amortisation.

Intangible assets under development comprise costs relating to development of software that are not yet ready for their intended use as at the balance sheet date.

The carrying amount of the intangible asset is derecognized on disposal or when no future economic benefit is expected from its use. Any gain or loss is recognised in the statement of Profit and loss..

2.10 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use Assets (ROU Assets)

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.11 Impairment of non-financial assets.

(ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of properties, machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.11 Impairment assets:

a) The Group assesses at each reporting date whether there is any indication that an asset (tangible or intangible), may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units (CGU) net selling price and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered to be impaired and is written down to its recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased and such reversal is recorded in the Statement of Profit and Loss.

b) Assets that are subject to depreciation and amortisation and assets representing investments in associate companies are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

c) An entity shall test an intangible asset with an indefinite useful life or an intangible asset not yet available for use for impairment, irrespective of whether there is any indication of impairment. This impairment test may be performed at any time during the year, provided it is performed at the same time every year

2.12 Foreign currency Transactions:

a) The financial statements are presented in Indian Rupee (INR), which is the functional and presentation currency of the Company.

b) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction.

c) At each balance sheet date, foreign currency monetary items are restated using the closing exchange rate.

d) Any exchange difference on account of settlement of foreign currency transactions and restatement of monetary assets and liabilities denominated in foreign currency is recognised in the Statement of Profit and Loss.

e) Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

f) On consolidation of subsidiaries, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.

2.13.Inventories:

Cost of Inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are valued at lower of cost and net realizable values.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

2.14. Revenue Recognition:

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net off variable consideration) allocated to the performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various elements like discounts etc.. offered by the Group as part of the contract. The variable consideration is estimated based on the expected value of outflow.

a) Rendering of services:

Income from logistics services rendered are recognized when control over the services transferred to the customer i.e. when the customer has the ability to control the use of the transferred services as per the terms of contract. Revenue is recognized at the fair value of consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

b) Sales of Goods:

Revenue from sale of products is recognized when the control on the goods has been transferred to the customer.

c) Others:

I. Dividend income from investments is recognised when the right to receive payment has been established.

II. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and amount of income can be measured reliably.

III. Rent income is recognised on a straight-line basis over the period of the lease.

2.15. Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity.

(i) Financial assets:

a) Initial recognition and measurement:

On initial recognition, a financial asset is classified and measured at::

- Amortised Cost; or
- Fair value through Other Comprehensive Income (FVOCI); or
- Fair value through Profit or loss (FVTPL)

Financial asset are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial asset. In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

I. Financial assets at amortized cost:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

a) The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The Effective Interest Rate (EIR) amortisation is included in finance income in the Statement of Profit and Loss. This category generally applies to long-term deposits and long-term trade receivables.

II. Financial assets at fair value through other comprehensive income (FVOCI):

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (designated as FVOCI-equity investment). This election is made on an investment-by-investment basis.

Financial assets are measured at the FVOCI if both of the following conditions are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI).

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

III. Financial assets at fair value through profit or loss (FVTPL):

All financial assets which are not classified/ measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

b) Subsequent measurement

For purposes of subsequent measurement

Category	Subsequent measurement and gains and Losses
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method (EIR). The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement of Profit and Loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

An investment in associates is carried at cost in separate financial statements.

(ii) Financial Liability:

Financial liabilities are classified and measured at amortised cost or FVTPL

a) Initial Recognition & Subsequent measurement:

I. Financial liabilities through fair value through profit or loss (FVTPL):

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

II. Financial liabilities at amortised cost:

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

b) Financial guarantee liability:

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value net off transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

iii) Impairment of Financial Assets:

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected credit loss at each reporting date, right from its initial recognition.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

As a practical expedient, the Group uses historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates to determine impairment loss allowance on portfolio of its trade receivables.

(iv) Derecognition:

a) Financial Assets:

The Group derecognizes a financial asset only

- when the contractual rights to the cash flows from the asset expire, or
- It transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

b) Financial liabilities:

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

v) Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet, when and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

2.16.Fair Value measurement:

A number of the Group accounting policies and disclosures require the measurement of fair values, for financial assets and financial liabilities. The Group has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments.

The Group measures financial assets and financial liability at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3- Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.17. Employee benefits:

a) Defined contribution plan:

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions of employee provident fund to Government administered provident fund and Employee State insurance scheme which is defined contribution plans. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of Profit and Loss in the periods during which the related services are rendered by employees.

b) Defined benefit plan:

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The contributions are deposited with the Life Insurance Corporation of India based on information received by the Company. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested.

c) Compensated absences:

As per policy of the Company, employees can carry forward unutilized accrued compensated absences and utilize it in next service period or receive cash compensation. Since the compensated absences fall due wholly within twelve months after the end of the period in which the employees render the related service and are also expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a current employee benefit. The Company records an obligation for such compensated absences in the year in which the employee renders the services that increase this entitlement.

The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

d) Short-term employee benefit:

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

2.18. Income taxes:

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

a) Current tax:

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

b) Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

2.19.Cash and cash equivalents:

In the cash flow statement, cash and cash equivalents include cash in hand, cheques in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

2.20.Provisions and Contingencies:

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Such liabilities are disclosed by way of notes to the financial statements.

2.21.Borrowing cost:

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

2.22. Segment information:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

2.23 Share based payments:

Equity- settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date.

The fair value of option at the grant date is expensed over the vesting period with a corresponding increase in equity as "Share Option outstanding account". In case of forfeiture of unvested option, portion of amount already expensed is reversed. In a situation where the vested option forfeited or expires unexercised, the related balance standing to the credit of the "Share Option outstanding account" are transferred to the "General Reserve". When the options are exercised, the Company issues new fully paid up equity shares of the Company. The proceeds received and the related balance standing to credit of the Share Option outstanding account, are credited to equity share capital (nominal value) and Securities Premium.

2.24 Segment Reporting:

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets other than goodwill.

2.25Earnings per share:

(i) Basic earnings per share

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive Income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(ii) Diluted earnings per share:

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

3A. Property, Plant and Equipment

Tangible Assets

(₹ In Mn)

Particulars	Gross Block						Depreciation						Net Carrying Value As at March 31, 2020
	As at March 31, 2019	Additions	Reclassified on account of adoption of Ind AS 116	Deductions/ Adjustment	Assets reclassified to held for Sale	As at March 31, 2020	As at March 31, 2019	For the year	Reclassified on account of adoption of Ind AS 116	Deductions/ Adjustment	Assets reclassified to held for Sale	As at March 31, 2020	
Freehold Land	3,398.61	-	-	18.36	106.90	3,273.35	-	-	-	-	-	-	3,273.35
Leasehold Assets	18.02	-	18.02	-	-	-	1.80	-	1.80	-	-	-	-
Fleet	432.68	18.43	-	70.14	-	380.97	267.39	45.26		67.07	-	245.58	135.39
Buildings	1,131.31	-	-	41.55	150.74	939.02	127.63	27.11	-	4.62	16.00	134.12	804.89
Vehicles	357.33	203.34	-	98.57	-	462.11	146.49	38.82	-	84.99	-	100.32	361.80
Plant & Machinery	545.12	43.43	-	2.17	9.15	577.23	180.29	47.06	-	1.10	3.24	223.01	354.22
Computers	440.47	78.62	-	32.26	-	486.83	349.73	58.85	-	30.78	-	377.80	109.04
Furniture & Fittings	435.54	22.54	-	15.08	68.61	374.38	224.40	48.98	-	8.41	35.92	229.05	145.31
Office Equipments	254.20	12.00	-	8.11	30.90	227.19	191.26	24.81	-	7.96	26.22	181.90	45.30
Assets taken on Finance Lease													
Vehicles	138.40	-	138.40	-	-	-	15.38	-	15.38	-	-	-	-
Computers	34.58	-	34.58	-	-	-	7.98	-	7.98	-	-	-	-
TOTAL	**7,186.26**	**378.36**	**191.00**	**286.24**	**366.30**	**6,721.08**	**1,512.35**	**290.89**	**25.16**	**204.93**	**81.38**	**1,491.78**	**5,229.30**

(₹ In Mn)

Particulars	Gross Block						Depreciation						Net Carrying Value As at March 31, 2019
	As at March 31, 2018	Additions	Reclassified on account of adoption of Ind AS 116	Deductions/ Adjustment	Assets reclassified to held for Sale	As at March 31, 2019	As at March 31, 2018	For the year	Reclassified on account of adoption of Ind AS 116	Deductions / Adjustments	Assets reclassified to held for Sale	As at March 31, 2019	
Freehold Land	3,448.52	0.06	-	49.97	-	3,398.61	-	-	-	-	-	-	3,398.61
Leasehold Assets	18.02	-	-	-	-	18.02	0.90	0.90	-	-	-	1.80	16.22
Fleet	452.24	10.63	-	30.19	-	432.68	246.28	50.14	-	29.03		267.39	165.29
Buildings	1,127.08	4.49	-	0.26	-	1,131.31	100.76	27.06	-	0.19	-	127.63	1,003.68
Vehicles	355.03	150.48	-	148.18	-	357.33	215.94	36.95	-	106.40	-	146.49	210.85
Plant & Machinery	523.40	21.72	-	-	-	545.12	140.90	39.39	-	-	-	180.29	364.83
Computers	405.01	43.09	-	7.63	-	440.47	314.30	42.21	-	6.78	-	349.73	90.74
Furniture & Fittings	414.97	20.60	-	0.03	-	435.54	190.08	34.32	-	-	-	224.40	211.13
Office Equipments	236.50	17.86	-	0.16	-	254.20	164.36	27.03	-	0.13	-	191.26	62.94
Assets taken on Finance Lease													
Vehicles	15.91	122.49	-	-	-	138.40	0.43	14.95	-	-	-	15.38	123.02
Computers	22.03	12.63	-	0.08	-	34.58	1.01	6.99	-	0.02	-	7.98	26.60
TOTAL	**7,018.73**	**404.05**		**236.50**		**7,186.26**	**1,374.96**	**279.94**		**142.55**		**1,512.35**	**5,673.91**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

3B. Capital Work in Progress

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Capital Work in Progress	-	51.14
	-	**51.14**

Notes:

a) The amount of Contractual commitments for acquisition of property, plant and equipment is disclosed in Note.43(II)

b) Refer Note 24 and Note 28 for information on Property, Plant and Equipments pledged as securities by the Company.

c) The group has not capitalised any borrowing cost during the year

3C. Right of use Assets (ROU)

(₹ In Mn)

Particulars	Gross Block				Depreciation				Net Carrying Value As at March 31, 2020
	As at April 1, 2019	Additions	Deductions/ Adjustment	As at March 31, 2020	As at April 1, 2019	Depreciation for the year	Deductions/ Adjustment	As at March 31, 2020	
Leasehold Land*	103.38	-	-	103.38	5.51	1.10	-	6.62	96.76
Buildings	712.66	-	-	712.66	-	102.63	-	102.63	610.03
Vehicles*	138.40	-	1.68	136.72	15.38	17.30	0.37	32.30	104.42
Computers*	34.58	-	-	34.58	7.98	6.98	-	14.96	19.62
Others	18.02	-	1.80	16.22	-	0.90	-	0.90	15.32
Total Right of use Assets (ROU)	**1,007.03**	**-**	**3.48**	**1,003.56**	**28.87**	**128.91**	**0.37**	**157.41**	**846.15**

* Opening balances reclassified on adoption of Ind AS 116.

Notes:

a) The aggregate depreciation expenses on Right of use asset (ROU) is included under depreciation and amortization expenses in the Statement of Profit and Loss.

b) The group obligation under leases are secured by lessor's title to the leased assets.

c) Refer Note 44 for Right of use asset movement.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

4. Goodwill

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Goodwill	4,468.78	4,468.78
Less : Impairment on goodwill	(210.80)	(210.80)
	4,257.98	**4,257.98**

5. Other Intangible Assets

(₹ In Mn)

Particulars	Gross Block				Amortisation				Net Carrying Value As at March 31, 2020
	As at March 31, 2019	Additions	Deductions/ Adjustment	As at March 31, 2020	As at March 31, 2019	For the year	Deductions/ Adjustment	As at March 31, 2020	
Computer Software	109.21	22.33	-	131.54	79.08	16.99	-	96.07	35.47
Total	**109.21**	**22.33**	**-**	**131.54**	**79.08**	**16.99**	**-**	**96.07**	**35.47**

(₹ In Mn)

Particulars	Gross Block				Amortisation				Net Carrying Value As at March 31, 2019
	As at March 31, 2018	Additions	Deductions/ Adjustment	As at March 31, 2019	As at March 31, 2018	For the year	Deductions/ Adjustment	As at March 31, 2019	
Computer Software	97.65	11.57	-	109.21	63.89	15.20	-	79.08	30.13
Total	**97.65**	**11.57**	**-**	**109.21**	**63.89**	**15.20**	**-**	**79.08**	**30.13**

6. Intangible Assets under Development

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
	20.72	-
	20.72	**-**

Notes:

Expenses duing the year capitalised in respect of Intangible Assets under Development

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
a) Employee Benefit expenses	10.99	-
b) Other expenses	9.73	-
	20.72	**-**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

7. Investment in Associate

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Numbers / Units	Amount	Numbers / Units	Amount
Investment in Equity Shares of an Associate				
Gati Ship Ltd. of ₹ 10/- each (Refer note no. 21 & 53)	-	-	48,00,000	862.30
Less: Impairment Allowance		-		(862.30)
Total		-		-
Aggregate amount of Unquoted Investments and Impairment Allowance of investments are given as below:				
Aggregate carrying cost of Unquoted Investments (Net of Impairment allowance)		-		-
Aggregate Impairment Allowance		-		862.30

8. Investments

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Numbers / Units	Amount	Numbers / Units	Amount
A) Investments at Fair Value through Other Comprehensive Income				
Investment in Equity Instrument (Quoted)				
TCI Finance Ltd. of ₹ 10/- each	-	-	16,00,300	24.00
State Bank of India of ₹ 1/- each	-	-	10,000	0.32
Sub Total (A)		-		**24.32**
B) Investments at Fair Value through Profit and Loss				
1. Investments in Equity Instruments (Unquoted)				
Amrit Jal Ventures Pvt Ltd. of ₹ 10/- each (Refer Note-62)	-	-	1,87,50,000	-
Brown Tape Technology Pvt Ltd of ₹10 /- each	14,451	-	14,451	-
Total		-		-
2. Investments in Preference shares:				
0.001% Compulsory convertible cumulative preference share of Brown Tape Technology Pvt Ltd. of ₹ 20/- each	4,256	-	4,256	-
3. Investments in Optionally Convertible Debentures (OCD): (Refer note no.21)				
14.5% Unsecured OCD of Amrit Jal Ventures Pvt Ltd. of ₹100 /- each	-	-	34,57,236	-
14.5% Unsecured OCD of Gati Infrastructure Sada-Mangder Power Pvt Limited of ₹ 100/- each	-	-	9,93,354	-
Sub Total B=(1+2+3)		-		-
Grand Total (A+B)		-		**24.32**
Aggregate amount of Quoted and Unquoted Investments, Market value of Quoted Investments are given as below:				
Aggregate Market Value of Quoted Investments		-		24.32
Aggregate carrying cost of Quoted Investments		-		14.40
Aggregate carrying cost of Unquoted Investments		-		-

Note:

Based on the valuation being done internally/ by independent agencies the valuation for Investments at Fair Value through Profit and Loss is considered to be Nil (Previous year Nil).

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

9. Loans

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered Good		
Security Deposits	0.49	2.11
Advances and Deposit with others	55.46	114.37
Total	**55.95**	**116.48**

10. Deferred tax Assets (Net)

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
MAT Credit	1.58	2.03
Deferred Tax Asset (Net)	62.33	40.43
Total	**63.91**	**42.46**

10.1. Movement in Deferred Tax Assets and Liabilities during the year ended March 31, 2019 and March 31, 2020

(₹ in Mn)

Deferred Tax Balance in relation to	As at March 31, 2018	Recognised In Statement of Profit & Loss	Recognised In Other Comprehensive Income(OCI)	As at March 31, 2019
Deferred Tax Assets/(Liabilities)				
Property, plant and equipment	(72.45)	3.32		(69.13)
Allowances for Doubtful Receivables	58.67	13.15		71.82
Employee benefits - Gratuity and Leave Encashment	26.04	8.40	3.65	38.09
Other temporary Differences	(4.28)	3.94	-	(0.34)
MAT Credit Entitlement (Net)	18.29	(16.27)	-	2.02
Deferred Tax liabilities adjustment	(0.15)	0.15		-
Deferred Tax Assets/(Liabilities)	**26.12**	**12.69**	**3.65**	**42.46**

(₹ in Mn)

Deferred Tax Balance in relation to	As at March 31, 2019	Recognised In Statement of Profit & Loss	Recognised In Other Comprehensive Income(OCI)	As at March 31, 2020
Deferred Tax Assets/(Liabilities)				
Property, plant and equipment	(69.13)	13.97		(55.16)
Allowances for Doubtful Receivables	71.82	8.35		80.17
Employee benefits - Gratuity and Leave Encashment	38.09	(10.11)	2.68	30.66
Other temporary Differences	(0.34)	7.03	-	6.69
MAT Credit Entitlement (Net)	-	-	-	1.58
Deferred Tax liabilities adjustment	-	(0.03)		(0.03)
Deferred Tax Assets/(Liabilities)	**40.45**	**19.21**	**2.68**	**63.91**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

11. Non-Current Tax Assets (Net)

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Tax Deducted at Source	1,602.72	1,403.11
Advance Tax	237.52	178.45
Provision for Income Tax	(880.32)	(875.01)
Total	**959.92**	**706.55**

12. Other Non Current Assets

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Capital Advance		
Unsecured, considered good	3.66	69.49
Unsecured, considered doubtful	15.90	5.90
	19.56	**75.39**
Less: Allowance for doubtful advances	(15.90)	(5.90)
	3.66	**69.49**
Deferred employee stock option compensation	0.10	1.84
Advance Lease Rentals (Refer No.3C)	-	96.76
Balances with statutory Authorities	15.43	16.20
Prepaid Expenses	5.38	35.65
Pre-Operative Expenses	0.87	0.92
Total	**25.44**	**220.86**

13. Inventories

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
(At Lower of the cost or Net realisable value)		
Stock-in-Trade	20.19	27.40
Stores and spares	76.08	92.46
Total	**96.27**	**119.86**

Note: No inventories were pledged as security for liabilities during the period and comparable period.

14. Current Investments

(₹ in Mn)

Current Investments	As at March 31, 2020	As at March 31, 2019
Investment at Fair Value through Profit & Loss (Unquoted)		
ICICI Pru Liquid Fund-Growth: 688674.405 (31 Mar 2019: Nil) Units	201.44	-
IDFC Money Manager Fund-Regular - Growth: 3305779.538 (31 Mar 2019: Nil) Units	100.95	-
Kotak Liquid Fund-Regular- Growth: 50321.993 (31 Mar 2019: Nil) Units	201.31	-
L&T Money Market Fund-Regular - Growth: 10124531.74 (31 Mar 2019: Nil) Units	201.44	-
PGIM India Insta Cash Fund - Growth: 284301.624 (31 Mar 2019: Nil) Units	73.06	-
Total	**778.20**	**-**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Aggregate Market Value of Unquoted Investments	778.21	-
Aggregate carrying cost of Unquoted Investments	771.95	-

15. Loans

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered Good		
Security Deposits	212.15	125.22
Total	**212.15**	**125.22**

16. Trade Receivables

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Unsecured		
Considered Good	2,053.40	2,389.31
Credit Impaired	337.04	241.51
	2,390.44	**2,630.82**
Less: Allowance for Doubtful Receivables(Refer Note: 49C)	337.04	241.51
Total	**2,053.40**	**2,389.31**

Note:

i) No Trade receivables are due from directors and other officers of the company either severally or jointly with any other person.

ii) For details of debts due from firms or private companies in which any director is a partner, a director or a member, Refer Note 52 of related party transactions.

iii) The Carrying amount of trade receivables is pledged as security for borrowings. (Refer Note 28)

(iv) Trade Receivables are non interest bearing and are generally on terms of 30 to 90 days.

17A. Cash and Cash Equivalents

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Cash in hand	8.09	10.75
Balances with Banks:		
In Current Accounts	313.68	158.60
Deposits with original maturity of less than three months	14.86	4.40
Total	**336.63**	**173.75**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020w

17B. Bank Balances other than 17A above

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Deposits with original maturity of more than three months and less than twelve months *	139.04	287.30
Balances with Bank held as margin money/ security	1.02	7.24
Unpaid Dividend account	9.21	8.99
Total	**149.27**	**303.53**

* Fixed deposit amounting to ₹ 19.20 Mn (Previous year: ₹ 16.50 Mn) has been lien marked for a term loan and includes ₹ 77.53 deposits with Banks has been earmarked for specified use related to business, as per the shareholder agreement between Gati Limited and Kintetsu World Express (S) Pte. Ltd.

18. Other Financial Assets

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
(Unsecured, considered good unless otherwise stated)		
Accrued Interest on Deposits, Loan and investments (Includes doubtful receivable ₹ 215.71 Mn, PY ₹ 215.71 Mn)	218.43	222.82
Less: Allowance for doubtful receivable	(215.71)	(215.71)
	2.72	**7.11**
Security Deposits	1.35	3.39
Earnest Money Deposits	0.99	1.66
Advance to Employees	2.50	1.89
Other Advances receivable (Includes doubtful receivable ₹ 5.99 Mn, PY ₹ 5.99 Mn) (Refer note 54 & 55)	291.30	318.67
Less: Provision on Other Advances receivable	(5.99)	(5.99)
Total	**292.87**	**326.73**

19. Current Tax Asset

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Current tax	-	1.43
	-	1.43

20. Other Current Assets

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
(Unsecured , Considered good unless otherwise stated)		
Advance against Supply of Goods and Services (Includes doubtful receivable ₹26.85 Mn, PY ₹2.57 Mn)	166.46	234.85
Less: Provision for doubtful advances (Includes doubtful receivable ₹ 26.85 Mn, PY ₹ 2.57 Mn) (Refer note 55)	(26.85)	(2.57)
	139.61	**232.28**
Prepaid Expenses	41.46	52.84
Balances with Government Authorities	42.24	24.18
Prepaid Lease Rentals	-	1.10
Others	3.51	6.27
Total	**226.82**	**316.67**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

21. Assets held for sale

A) Property, Plant & Equipment

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Land	122.91	16.01
Building	134.74	-
Plant & Machinery	5.91	-
Furniture & Fixtures	32.70	-
Office Equipment	4.68	-
Total	**300.94**	**16.01**

B) Investments

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Numbers / Units	Amount	Numbers / Units	Amount
i) Investment in an Associate	48,00,000	862.30	-	-
Gati Ship Ltd. of ₹ 10/- each		(862.30)	-	-
Less: Impairment Allowance		-		-
Total (i)				
ii) Investments in Optionally Convertible Debentures : (Unquoted)				
14.5% Unsecured OCD of Amrit Jal Ventures Pvt Ltd. of ₹100 /- each	34,57,236	-	-	-
14.5% Unsecured OCD of Gati Infrastructure Sada-Mangder Power Pvt Limited of ₹ 100/- each	9,93,354	-	-	-
		-		-
Grand Total (i+ii)		-		-

The Board at the meeting held on January 28th ,2020, has also approved the disposal of the above Property Plant & Equipment and Investments and Transaction expected to be completed with in one year.

22. Equity Share Capital

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Authorized:				
Equity Shares of ₹ 2/- each	12,50,00,000	250.00	12,50,00,000	250.00
Redeemable Preference Shares ₹ 100/- each	5,00,000	50.00	5,00,000	50.00
		300.00		**300.00**
Issued:				
Equity Shares of ₹ 2/- each fully paid up	12,19,45,977	243.89	10,85,42,137	217.08
		243.89		**217.08**
Subscribed and Paid-up:		-		-
Equity Shares of ₹ 2/- each fully paid up	12,19,45,977	243.89	10,85,42,137	217.08
		243.89		**217.08**

a) Terms /Rights attached to Shareholders

The Company has only one class of issued shares i.e. Equity Shares having par value of ₹ 2 /- per share. Each holder of Equity Shares is entitled to one vote per share and ranks pari passu. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

b) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

(₹ in Mn)

Equity Shares of ₹2 each fully paid	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning of the year	10,85,42,137	217.08	10,83,46,795	216.69
Shares issued on exercise of Employee Stock Option Scheme	70,500	0.14	1,95,342	0.39
Share issued on allotment (Refer Note: 60)	1,33,33,340	26.67	-	-
Shares at the end of the year	**12,19,45,977**	**243.89**	**10,85,42,137**	**217.08**

c) Details of shareholders holding more than 5% of the aggregate shares in the Company:

(₹ in Mn)

Name of Share holder	As at March 31, 2020		As at March 31, 2019	
Equity Shares of ₹ 2 each fully paid held by	No. of Shares	% Holding	No. of Shares	% Holding
Allcargo Logistics Limited	2,54,03,340	20.83%	-	-
Bay Capital India Fixed Income Fund Ltd.	68,85,335	5.65%	78,34,755	7.22%
Goldman Sachs International	-	-	64,35,000	5.93%
Neera And Children Trust	55,99,995	4.59%	55,99,995	5.16%
Total	**3,78,88,670**	**31.07%**	**1,98,69,750**	**18.31%**

d) Equity Shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

i) 1,11,000 options (Equity Shares of ₹ 2 each) are reserved under employee stock option scheme as on March 31, 2020 (Previous year 3,58,150 as on March 31, 2019) and the same will vest/allot in the financial year 2020-21.

(₹ in Mn)

Equity Shares of ₹ 2 each fully paid	As at March 31, 2020		As at March 31, 2019	
	No. of Equity Shares to be issued as fully paid up	Amount	No. of Equity Shares to be issued as fully paid up	Amount
Employee stock option granted and Outstanding	1,11,000	0.22	3,58,150	0.72
Total	**1,11,000**	**0.22**	**3,58,150**	**0.72**

e) The company has neither allotted any equity shares for consideration other than cash nor has issued any bonus shares nor has bought back any shares during the period of five years preceding the date at which Balance Sheet is prepared.

f) No calls are unpaid by any directors or officers of the company during the year.

23. Other Equity

(₹ in Mn)

		As at March 31, 2020	As at March 31, 2019
a)	Securities Premium	3,410.04	2,433.30
b)	General Reserve	1,046.01	1,037.77
c)	Capital Reserve	208.39	208.39
d)	Tonnage Tax Reserve (Utilized)	92.91	92.91
e)	Share Option Outstanding account	4.51	15.59
f)	Special Reserve	1,470.67	1,470.67
g)	Retained Earning	1,063.59	1,868.35
h)	Other Comprehensive Income	(108.84)	(99.81)
	Total Other Equity	**7,187.28**	**7,027.18**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

23. Other Equity (contd..)

A The Description, Nature and Purpose of each reserve under other equity are as follows:

a) Securities Premium : Securities premium is used to record the premium on issue of equity shares. The same can be utilised in accordance with the provisions of the Companies Act, 2013.

b) General Reserve: This reserve is the retained earnings of the company, which are kept aside out of the group profit to meet future (known or unknown) obligations.

c) Capital Reserve : Capital Reserve includes amount received on allotment of convertible warrants was forfeited and transferrred to Capital Reserve Account.

d) Tonnage Tax Reserve (Utilised): This reserve is a statutory reserve which is created and will be utilized in accordance with the provisions of Section 115VT of Income tax Act 1961 to comply with the provisions of 'Tonnage Tax Scheme' under Chapter XII-G.

e) Share option outstanding account: The share options outstanding account is used to record the value of equity- settled share based payment transactions with employees. The amount recorded in the share options outstanding account are transferred to securities premium upon exercise of stock options by employees.

f) Special Reserve: The Hon'ble Andhra Pradesh High Court, approved the Scheme of Arrangement for amalgamation. (The Scheme) vide its Order dated March 19, 2013 which interalia, permits creation of a capital reserve to be called Special Reserve to which shall be credited excess of value of assets over value of liabilities on amalgamation of the subsidiaries amounting to ₹ 5555.4 Mn to be utilized by the Company to adjust therefrom any capital losses arising from transfer of assets and certain other losses, any balance remaining in the Special Reserve shall be available for adjustment against any future permanent diminution in the value of assets and exceptional items etc. as specified in the Scheme as the Board of directors may deem fit.

g) Retained Earnings: Retained earnings comprise of net accumulated profit/ (loss) of the group, after declaration of dividend.

h) Other Comprehensive Income

i) Equity Instrument through OCI: The company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the equity instruments through OCI shown under the head other equity. The company transfer amounts to retained earnings when the relevant equity securities are derecognised.

ii) Foreign Currency Translation Reserve:- Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e.₹) are recognized directly in the other comprehensive income and accumulated in foreign currency translation reserve.

24. Borrowings

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Non- Current	Current Maturities	Non- Current	Current Maturities
Secured				
Non-convertible debentures ("NCD")	-	838.45	438.41	334.46
Term Loan From Banks	783.01	489.14	823.57	382.69
Term Loan From Financial Institutions	135.94	59.41	202.01	52.82
Finance lease Obligation	-	-	134.28	27.97
Sub Total (A)	**918.95**	**1,387.00**	**1,598.27**	**797.94**
Unsecured -				
Fixed deposits (From Public)	51.53	75.26	88.58	47.32
Amount disclosed under the head "Other Financial Liabilities" (Refer Note.30)	-	(1,462.26)	-	(845.26)
Sub Total (B)	**51.53**	**(1,387.00)**	**88.58**	**(797.94)**
Total (A+B)	**970.48**	**-**	**1,686.85**	**-**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Details of non-convertible debentures

The Group has issued 590 (March 31, 2019: 590) secured, rated, redeemable, transferable, Non-Convertible Debentures (NCD) of face value of ₹10 Mn each fully paid up to Mandala Agribusiness Investments II Ltd. The Group has allotted 350 NCD on February 29, 2016; 180 NCD on January 01, 2015 and 60 NCD on October 09, 2014.

The NCDs are secured by way of first charge on all the assets of the Company other than exempted assets (as defined in the Bond Subscription Agreement) and second charge on the exempted assets. Further, Gati Limited has pledged 2,562,826 equity shares of ₹10 each held in the Group.

The NCDs carry coupon rate of 5.65% (March 31, 2019: 5.65%) per annum payable on quarterly basis. The NCDs are redeemable at a premium at the end of five years from the date of issue. The redemption premium is 8% per annum and shall (if not voluntarily paid annually) be compounded annually up to the date of redemption. The Group has option to extend the term of a portion of NCDs by a period of two years subject to certain conditions laid out in the Bond Subscription Agreement. Also, under certain circumstances, the Group has an option to redeem the NCDs at any time after expiry of one year from the date of the issue.

During the current year, the Debenture Holders have extended repayment of 180 NCD issued on 01 January 2015, 60 NCD issued on 09 October 2014 and coupon payment for the quarter ended 31 March 2020 till 30 June 2020.

(₹ in Mn)

Bank Name / Note No	ROI	Number of Instalments pending/Type of instalments	Instalment Amount ₹	Starting Date	Outstanding Amount ₹
State Bank of India **(Note -A)**	MCLR+450 BPS	9/Quarterly	10.00	30-Jun-18	90.00
Syndicate Bank **(Note -B)**	MCLR+160 BPS	8/Quarterly	18.75	31-Mar-18	150.00
Hero Fincorp Ltd **(Note -C)**	11.50%	27/Monthly	5.14	08-Jul-17	138.85
Kotak Mahindra Bank Ltd-Loan I **(Note -D)**	MCLR + 80 BPS	33/Monthly	1.87	05-Jan-18	61.86
Kotak Mahindra Bank Ltd-Loan II **(Note -D)**	MCLR + 80 BPS	33/Monthly	3.83	25-Apr-18	127.20
South Indian Bank Ltd **(Note -E)**	MCLR +50 BPS	50/Monthly	2.46	31-Mar-16	122.75
Syndicate Bank **(Note -F)**	MCLR+145bps	8/Quarterly	14.37	31-Dec-16	115.00
Syndicate Bank - Loan II **(Note -F)**	MCLR+125bps	16/Quarterly	12.50	10-Jun-19	200.00
Syndicate Bank - Loan III **(Note -G)**	MCLR+250bps	36/Monthly EMI	0.25	14-Feb-19	8.97
HDFC Bank **(Note -G)**	18.00%	36/Monthly EMI	1.25	05-Mar-20	34.50
TATA Capital Financial services limited **(Note -G)**	LTLR less 9.25%	28/Monthly EMI	0.98	29-Jun-19	24.55
Vehicle Loan **(Note -H)**	7.50%-9.30%	EMI			395.45
Unwinding interest on term loan					(1.63)

Nature of Security /Pledge:

Notes	Nature of Security/Pledge
A)	First pari Passu charge along with other working capital lenders on the entire current assets of the Company and property situated at 1) Verna Industrial Estate Salcete, Goa. 2) Pimplas village, Bhiwandi, Thane District, Mumbai. 3) Lonard Village, Bhiwandi, Thane District, Mumbai."
B)	1) Extension of 1st Mortgage charge on property located at Hubli, Bangalore of Gati Kintetsu Express Private Limited. 2) Subservient Charge on current asset and Property, Plant and Equipment of the company (both present and future)
C)	First charge by way of equitable mortgage of properties at: 1) Property at Binola, Gurgaon (Haryana). 2) Land and Building situated at Secunderabad, Telangana. 3) Personal Guarantee of Managing Director"
D)	First and exclusive charge by way of mortgage of Immovable property situated at Samalka, New Delhi.
E)	1) Mortgage of Ground+3 Floors of Building at Kondapur, Hyderabad. 2) Hypothecation of Future Rent receivables from Gati Kintetsu Express Pvt Ltd by escrowing the lease rentals."
F)	The primary security being subservient charge on current assets and fixed assets of the company to the extent of 100% coverage on loan amount and collateral being property at Peenya, Bangalore. The above term loan is guaranteed by the Gati Limited.
G)	The underlying assets are hypothecated against the term loan(equipment financing).
H)	Vehicles are hypothecated against the Vehicle loans from Banks & other financial institutions.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

25. Lease Liabilities

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Non- Current	Current Maturities	Non- Current	Current Maturities
Lease Liabilities (Refer Note 44)	692.76	98.98	-	-
	692.76	**98.98**	**-**	**-**

26. Other Financial Liabilities

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Rental Obligation	-	24.29
Security Deposit	4.57	40.75
Interest accrued but not due on borrowings	2.18	4.40
Total	**6.75**	**69.44**

27. Provisions

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Employee Benefits		
Gratuity (Refer Note No.45)	49.39	47.80
Leave Encashment	31.41	33.16
Total	**80.80**	**80.96**

28. Borrowings

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Secured		
i) Working Capital facilities from Banks *		
- Cash Credit	1,538.79	1,137.33
Grand Total	**1,538.79**	**1,137.33**
Unsecured		

(₹ in Mn)

Particulars of Nature of Security:	As at March 31, 2020	As at March 31, 2019
1 Working capital loan is secured by first charge on entire current assets of the company on pari passu basis with other working capital lenders with property situated at 1) Verna Industrial Estate, Salcete, Goa. 2) Pimplas village, Bhiwandi, Thane District, Mumbai. 3) Lonard Village, Bhiwandi, Thane District, Mumbai."	86.48	56.56
2 Working Capital loan is secured with immovable properties situated at Nelamangala, Bangalore.	74.00	-
3 Working capital loan is secured by first charge on entire current assets of the Group on pari passu basis with other working capital lenders along with immovable properties in Mumbai, Bangalore, jaipur, and Port blair as collateral security.	1,378.31	1,080.77
Total	**1,538.79**	**1,137.33**

* Average rate of interest varying between 8.7% - 12.65% p.a.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

29. Trade Payables

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
For Goods and Services		
Total Outstanding dues of micro and small enterprises (Refer Note 47)	11.66	-
Total Outstanding dues of creditors other than micro and small enterprises (Including acceptances)		
(a) Acceptances	135.66	281.81
(b) Others	1,016.11	1,208.65
Total	**1,163.43**	**1,490.46**

30. Other Financial Liabilities

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Current Maturities of Long-term borrowings - Term Loan (Refer Note.24)	1,462.26	817.29
Current Maturities of Finance lease Obligation (Refer Note.24)	-	27.97
Security Deposits	256.33	139.82
Rental Obligation	-	3.59
Interest accrued but not due on Borrowings	20.61	8.56
Unpaid dividends (a)	9.21	8.99
Employee Related Liabilities	177.98	229.30
Unpaid matured deposits and interest accured thereon	11.56	7.28
Liability towards guarantee invoked	236.00	236.00
Others	50.90	119.73
Total	**2,224.85**	**1,598.53**

(a) Due to technical issues the Company could not transfer the unclaimed dividend amount of ₹ 0.64 Mn to Investor Education and Protection Fund pertaining to the financial year 2011-12.The said amount has been transferred to Investor Education and Protection Fund post Balance sheet date.

31. Other Current Liabilities

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Statutory dues	132.09	89.35
Other Advances	191.46	255.63
Total	**323.55**	**344.98**

32. Current Tax Liabilities

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Provision for Income Tax	355.89	0.41
Total	**355.89**	**0.41**

33. Provisions

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Provision for Employee Benefits		
- Gratuity (Refer Note.45)	9.88	7.51
- Leave Encashment	9.02	15.16
Total	**18.90**	**22.67**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

34. Revenue From Operations

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Sale of Services		
Freight, Ecom,Demurrage and Miscellaneous services	13,113.79	14,541.50
Sale of Products		
Sale of Diesel, Petrol and Lubricants & Others	3,935.00	4,015.84
Total (A)	**17,048.79**	**18,557.34**
Other Operating Revenue		
Other Recoveries	67.93	74.60
Total (B)	**67.93**	**74.60**
Grand total (A+B)	**17,116.72**	**18,631.94**

A. Revenue from contracts with customers disaggregated based on revenue stream and by reportable segment

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Revenue based on product & services		
a) Express Distribution	13,107.79	14,541.34
b) Fuel Stations	2,750.70	2,920.88
c) Others	1,190.30	1,095.12
Other Operating Revenues	67.93	74.60
Total	**17,116.72**	**18,631.94**
Revenue based on Geography		
India	16,723.85	18,058.49
Overseas	392.87	573.45
	17,116.72	**18,631.94**
Reconciliation of Revenue from Operation with contract price		
Revenue as per contract price	17,532.11	18,997.11
Less:		
Discounts	(13.42)	(15.88)
Credit note	(240.95)	(314.30)
Undelivered shipments	(228.95)	(109.59)
Revenue from Operations	**17,048.79**	**18,557.34**

Transaction Price - Unstatisfied Performance Obligation

The Company's unsatisfied performance obligations mainly arises on account of undelivered shipments. The aggregate value of transaction price allocated to the unsatisfied performance obligations as at March 31, 2020 is Rs.228.95 Mn, which is expected to be recognised during next year.

C. Contract Balances

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Contract Assets	18.16	44.24
Trade Receivables	2,390.44	2,630.82
Less: Impairment allowances	337.04	241.51
Total	**2,053.40**	**2,389.31**

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognised as revenue as and when the performance obligation is satisfied.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

35. Other Income

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on		
Deposit with Bank and Others	19.81	18.38
Refund of Income tax	8.58	40.29
Other Non Operating Income		
Rental Income	29.40	36.02
Net Foreign Exchange Gain	1.54	3.01
Net Gain on disposal of Property, plant & equipment *	9.71	3.94
Liabilities no longer required - written back	46.95	50.00
Net Gain on Investments measured at FVTPL	6.24	
Miscellaneous Income	10.34	7.92
Total	**132.57**	**159.56**

* 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 ₹ 62.50 Mn. The profit on the aforesaid sale of ₹ 4.50 Mn.

36. Operating Expenses

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Freight	7,671.87	8,863.29
Fleet Running Expenses	280.36	304.82
Vehicles' trip expenses	624.01	359.22
Handling Charges	243.15	206.44
Tyres and Tubes	5.92	3.07
Supply Chain Management services	404.77	328.30
Claims for Loss & Damages (Net)	89.99	139.82
Vehicles' taxes	5.54	8.74
Vehicles' and ships Insurance	4.12	2.57
Power, Fuel and Water Expenses	11.15	11.00
Stores and Spare Parts Consumed	17.55	27.16
Other Operating Expenses	140.75	193.45
Total	**9,499.18**	**10,447.88**

37 Changes in Inventories of Stock-in-Trade

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Opening Stock :		
Stock-in-trade	117.47	85.98
	117.47	**85.98**
Less: Closing Stock		
Stock-in-trade	94.67	117.47
	94.67	**117.47**
Increase / (Decrease) in Inventories of Stock-in-trade	**22.80**	**(31.49)**

38. Employee Benefit Expense

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, Wages & Bonus	1,716.62	1,737.49
Contribution to Provident fund and other funds	131.97	92.24
Expenses on Employee Stock Option scheme	(0.88)	0.07
Staff Welfare Expenses	35.37	33.82
Total	**1,883.08**	**1,863.62**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

39. Finance Costs

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Interest Expense on		
Term Loans and Working Capital facilities	430.00	420.00
Public Deposits	13.03	13.13
Lease Obligation	85.88	14.60
Tax Matters	1.03	-
Others borrowing cost	6.43	4.99
Total	**536.37**	**452.72**

40. Depreciation and amortisation expense

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on Property Plant & Equipment (Refer Note -3A)	291.05	279.95
Depreciation on Right of use Asset (Refer Note-3C)	128.91	-
Amortisation of Intangible Assets (Refer Note- 5)	16.99	15.20
Total	**436.95**	**295.15**

41. Other Expenses

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Lease Rental(Refer Note:44)	531.18	634.84
Rates and Taxes	41.61	24.87
Insurance	16.15	12.84
Telephone expenses	20.51	25.41
Printing and Stationery	32.86	33.27
Travelling expenses	65.90	78.13
Professional and Consultancy Charges	68.73	73.99
Advertisement Expenses	26.78	31.46
Electricity	95.93	96.70
Office maintianance	178.57	181.63
Bank Collection charges	14.37	16.73
Director Sitting fees	4.04	3.90
Commission to Non-Whole-time Directors	-	2.45
Corporate Social Responsiblity Expenditure (Refer Note 41.1)	7.38	9.39
Payment to Auditors [Refer Note: 41.2]	8.76	7.83
Allowance for Doubtful Receivables	105.60	16.64
Bad debts and irrevocable balances written off	66.62	65.28
Less: Provision for loss allowances recognised in earliear years	(9.42)	(64.03)
Provision towards advance	33.63	-
Provision towards capital expenditure	-	18.06
Service tax Amnesty Scheme	38.21	-
Impairment allowance for Investment	-	0.05
IT Network Expenses	51.23	56.15
Charity and Donations	5.10	6.83
Repairs and Maintenance	100.83	91.34
Miscellaneous expenses	138.18	140.07
Total	**1,642.75**	**1,563.83**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

41.1 Corporate Social Responsiblity Expenditure

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Gross amount required to be spent by the company during the year (A)	**41.23**	**35.48**
Amount Spent during the Year (B)		
i) Construction/Acquisition of any asset	-	-
ii) On purpose other than (i) above	7.38	9.39
Total	**7.38**	**9.39**
Accumulated amount Unspent as at year end (A - B)	**33.85**	**26.09**

41.2 Payment to Auditors (Excluding Goods and Services Tax)

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Statutory Audit fees	4.25	5.00
Taxation Matters	1.19	1.14
Other Matters	3.32	1.69
Total	**8.76**	**7.83**

42. Tax Expenses

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Income Tax recognised in Statement of Profit and Loss		
Current Tax	14.12	111.47
Deferred Tax	(19.22)	12.84
Income Tax for earlier years (Refer Note. 43(d))	363.53	-
Total	**358.43**	**124.31**

42.1 Reconciliation of Income Tax expense for the year with book profits

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Profit before Tax	(484.27)	354.64
Applicable Tax Rate(Refer Note:43(d)(i))	34.944%	34.944%
Tax Expense	**(169.22)**	**123.93**
Tax Effect of :		
Expenses non-deductible for tax purposes	13.82	5.90
Exempted income &Expenses allowable for tax purposes	(39.10)	(49.75)
Utilisation of previously unrecognised tax losses	-	(35.40)
Reversal of opening deferred tax due to change in tax rate	11.28	-
Other differences (Including effect of non recognition of Deferred Tax Asset)	103.04	(32.67)
MAT payable at 18.5% on the adjusted book profits of the company in accordance with the provisions of Income Tax Act, 1961	-	13.67
Difference in tax rates of subsidiary companies	75.07	98.63
Tax Expense in Statement of Profit and Loss	**(5.10)**	**124.31**

Effective Tax Rate *

* Excludes effect of adjustment of ₹ 363.53 Mn on account of tax related to earlier year

42.2 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. (i) 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

43. Contingent liabilities and commitments

(I) Contingent Liabilities

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
(a) Claim against the Company not acknowledged as debt (to the extent not provided)		
(i) Income tax Demand disputed in appeals (Includes amount paid under protest and Adjustments of ₹ 138.76 Mn, Previous year - ₹ 82.59 Mn)	590.14	1,422.74
(ii) Service tax demand disputed in appeals	474.76	438.49
(iii) Others	83.59	59.58
Total	**1,148.48**	**1,920.81**
(b) Bank Guarantee (*)	23.08	35.77

(i) Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable group only on receipt of judgments / decisions pending with various forums / authorities.

(ii) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its Cosolidated financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its Group's financial position. Also, the Group does not expect any reimbursement in respect of the above contingent liabilities.

(*) Bank Guarantee is issued to meet certain business obligations towards govt agencies and certain customers.

(c) There has been a Supreme Court (SC) judgement dated February 28, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. During the current year ended March 31, 2020, Group is incompliance with same. The Group will continue to assess any further developments in this matter for the implications on financial statements, if any. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, was not ascertainable and consequently no effect was given in the accounts.

(d) Income Tax:

Income tax earlier year includes income tax under 'The Direct Tax Vivad se Vishwas Act, 2020 (the scheme). On a critical and objective reappraisal of the income tax demands for a various years under appeal, the company based on expert legal opinion from a law firm, the company is 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 ₹ 353.50 Mn as per the details given below

Assessment Year	From where Appeal is pending	Tax payable under Vivad se Viswas (₹ In Mn)
2009-10	Department's appeal before Income Tax Appellate Tribunal	40.80
2012-13	Department's appeal before Income Tax Appellate Tribunal	229.50
Outflow on account of utilization of carried forward losses		83.20
Total cash outflow		**353.50**

(e) 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, regarding settlement of the ongoing tax litigations which are pending before various Appellate Authorities. The settlement proposed by the Company under the Scheme of ₹38.21 Mn 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 ₹1,005.7 Mn. The company does not expect any further liability under The Direct Tax Vivad se Vishwas Act, 2020 for direct taxes in future with respect to above mentioned Assessment year.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

(II) Commitments

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
Commitments for Acquisition of Property, Plant and Equipment & Intangible Assets (Net of Advance)		
Towards Property plant & Equipment	2.35	39.80
Towards intangible Assets	6.20	14.12
	8.55	**53.92**

44. Leases:

Effective 1st April, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31st March 2019 have not been retrospectively.

The group has taken certain assets such as land, office premises etc, on operating lease. Leasehold land is held on operating lease. There is no restrictions imposed in lease agreements. There are no subleases. The leases are cancellable. Premium paid on leasehold land is amortised over a period of lease.

The following is the summary of practical expedients elected on initial application:

(i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

(ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

(iii) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(iv) Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at 1st April, 2019 is 12%.

In the Statement of profit or loss for the current year, operating lease expenses which were recognized as other expenses in previous years are 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 year: -

Particulars	Comparable Basis	Ind AS Effect	As Reported
Finance Cost	461.59	74.78	536.37
Depreciation and Amortisation expenses	338.64	98.31	436.95
Other Expenses	1,772.77	(130.02)	1,642.75
Total Expenses	**2,573.00**	**43.07**	**2,616.07**
Profit/(Loss) Before Tax	(441.20)	(43.07)	(484.27)

The changes in the carrying value of right of use (ROU) assets for the year ended 31st March, 2020 are disclosed in Note 3C

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
ROU Balance at the beginning of the year	149.62	37.94
Opening balance reclassified on account of adoption of Ind AS 116	823.28	-
Additions	10.78	135.12
Amortisation cost accrued during the year	(136.22)	(23.38)
Deletions	(1.30)	(0.06)
ROU Balance at the end of the year	**846.15**	**149.62**
Lease liabilities at the beginning of the year	**144.24**	**37.78**
Additions	730.65	134.28
Interest cost accrued during the year	85.88	14.60
Payment of lease liabilities	(169.03)	(42.42)
Deletion	-	-
Lease liabilities at the end of the year	**791.74**	**144.24**
Current lease liabilities	98.98	27.97
Non-current lease liabilities	692.76	116.27
Total Lease liabilities	**791.74**	**144.24**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases or cancellable in nature was 681.77 Mns for the year ended 31st March, 2020.

The table below provides details regarding the contractual maturities of lease liabilities as of 31st March, 2020 on an undiscounted basis:

Maturity Analysis for Leases

(₹ in Mn)

		As at March 31, 2020	As at March 31, 2019*
(a)	**Undiscounted Contractual Cashflows**		
i)	Not later than one year	187.53	39.20
ii)	Later than one year but not later than five years	599.75	134.48
iii)	Later than five years	473.57	-
	Total (a)	**1,260.85**	**173.68**
(b)	**Interest on Lease Liabilities**		
i)	Not later than one year	88.55	11.23
ii)	Later than one year but not later than five years	252.20	18.22
iii)	Later than five years	128.37	-
	Total (b)	**469.12**	**29.45**
(c)	**Principal Proportion of lease liabilities**		
i)	Not later than one year	98.98	27.97
ii)	Later than one year but not later than five years	347.55	116.26
iii)	Later than five years	345.21	-
	Total (c) = (a-b)	**791.74**	**144.23**

Future lease commitments - All leases other than included above are of either low value or cancellable at the option of the lessee.

*Represents disclosure for finance lease for FY 2018-19.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

45. Disclosure as required under Ind AS 19 on Employee Benfits:

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Statement of Assets and Liabilities for defined benefit obligation		
Defined benefit asset - Gratuity Plan	71.11	59.45
Defined benefit obligation - Gratuity Plan	(126.91)	(108.54)
Total employee benefit (Liabilities)/Assets	**(55.80)**	**(49.09)**

Defined contribution

The expense for defined contribution plans amounted to ₹ 131.97 Mn and ₹ 92.24 Mn for the year ended March 31, 2020 and March 31, 2019 respectively.

Defined benefits - Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Group makes contributions to recognised funds in India.

These defined benefit plans expose the Group to actuarial risks, such as currency risk, interest risk and market (investment) risk. The Group expects to contribute ₹ 12 Mn to Gratuity Fund in the next year.

Inherent risk

The plan is defined benefit in nature which is sponsored by the Group and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

The following tables analyse present value of defined benefit obligations, expense recognised in Consolidated Statement of Profit and Loss, actuarial assumptions and other information.

Reconciliation of the net defined benefit (asset)/ liability:

(₹ in Mn)

		As at March 31, 2020	As at March 31, 2019
(I)	**Reconciliation of present value of defined benefit obligation**		
(a)	Balance at the beginning of the year	108.54	96.19
(b)	Current service cost	14.22	11.64
(c)	Interest cost	8.14	7.34
(d)	Past service cost	-	-
(e)	Benefits paid	(13.35)	(19.11)
(f)	Actuarial (gains)/ losses recognised in other comprehensive income		
	change in demographic assumptions	0.17	
	change in financial assumptions	7.70	6.97
	experience adjustments	1.49	5.51
	Balance at the end of the year	**126.91**	**108.54**
(II)	**Reconciliation of present value of plan assets**		
(a)	Balance at the beginning of the year	59.45	55.97
(b)	Actual return on plan assets	4.07	2.59
(c)	Investment Income	1.44	
(d)	Contributions by the employer	19.50	20.00
(f)	Benefits paid	(13.35)	(19.11)
	Balance at the end of the year	**71.11**	**59.45**

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for the year ended March 31, 2020

45. Disclosure as required under Ind AS 19 on Employee Benfits: (Contd..)

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
(III) Net asset/ (liability) recognised in the Balance Sheet		
(a) Present value of defined benefit obligation	(126.91)	(108.54)
(b) Fair value of plan assets	71.11	59.45
Net defined benefit obligations in the Balance Sheet (Includes Net Asset CY-₹ 3.47 Mn, PY- ₹ 6.22 Mn)	**(55.80)**	**(49.09)**
(IV) Expense recognised in Statement of Profit or Loss		
(a) Current service cost	14.22	10.15
(b) Past service cost	-	-
(c) Interest income (net)	3.67	4.75
Amount charged to Profit or Loss	**17.89**	**14.90**
(V) Remeasurements recognised in Other Comprehensive Income		
(a) Actuarial gain / (loss) on defined benefit obligation	(9.36)	12.48
(b) Return on plan asset excluding interest income	1.05	1.40
Amount recognised in Other Comprehensive Income	**(8.32)**	**13.88**
(VI) Plan assets		
Plan assets comprise of the following:		
(a) Investments with LIC	100%	100%
(VII) Actuarial assumptions		
Principal actuarial assumptions at the reporting date (expressed as weighted averages)		
(a) Discount rate	6.50%	7.65%
(b) Future salary growth	4.00%	4.00%
(c) Retirement age (years)	58	58
(d) Withdrawal rates	9%	9%
(e) Mortality rate (% of IALM 06-08)	100%	100%

(IX) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

(₹ in Mn)

	As at March 31, 2020		As at March 31, 2019	
	Increase	Decrease	Increase	Decrease
(a) Discount rate (1% movement)	(7.78)	8.76	(6.41)	7.17
(b) Future salary growth (1% movement)	8.68	(7.83)	7.12	(6.46)
(c) Withdrawal assumption (1% movement)	0.93	(1.07)	1.17	(1.34)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions as shown.

Expected cash flows over the next (Valued on undiscounted cash flows)

(₹ in Mn)

	As at March 31, 2020	As at March 31, 2019
1 year	20.61	14.07
2 to 5 years	56.49	56.17
6 to 10 years	52.37	48.73
More than 10 years	82.05	74.88

Notes to Consolidated Financial Statements

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46. Segment information

A. Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Group has two reportable segments, as described below, which is the Group's primary business segment. These business units are managed separately because they require different marketing strategies. For these business the Group (designation of the person who reviews) reviews internal management reports at quarterly basis.

Reportable segments	Operations
Express Distribution and Supply Chain	Covers integrated cargo services- Road, Rail ,Air transportation and supply chain solutions
Fuel Stations	Covers fuel stations dealing in petrol, diesel and lubricants, etc.
Others	Miscellaneous business comprising of less than 10% revenues.

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's CODM . Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Summary of Segment Information for the year ended March 31, 2020 and March 31, 2019 is as follows:

(₹ in Mn)

	Year Ended March 31, 2020	Year Ended March 31, 2019
1. Segment Revenue (Net Sales / Income from each Segment)		
a) Express Distribution & Supply Chain	13,249.62	14,695.74
b) Fuel Sales	2,750.70	2,920.88
c) Other Sales	1,190.30	1,095.12
Total	**17,190.62**	**18,711.74**
Less: Inter Segment Revenue	(73.90)	(79.80)
Net Sales / Income from Operations	**17,116.72**	**18,631.94**
2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment)		
a) Express Distribution & Supply Chain	(24.50)	726.76
b) Fuel Sales	65.50	75.77
c) Other Sales	11.10	4.83
Total	**52.10**	**807.36**
Less: Finance Cost	(536.37)	(452.72)
Profit/ (Loss) before tax	**(484.27)**	**354.64**
Less: Tax Expenses	358.43	124.31
Profit after Tax as per statement of profit and loss	**(842.70)**	**230.33**

(₹ in Mn)

	Year Ended March 31, 2020	Year Ended March 31, 2019
3. Segment Assets		
a) Express Distribution & Supply Chain	13,635.75	13,479.17
b) Fuel Stations	165.78	296.49
c) Others	328.59	336.93
d) Unallocated	1,811.30	783.76
Total Assets	**15,941.42**	**14,896.35**
Segment Liabilities		
a) Express Distribution & Supply Chain	1,852.86	2,268.15
b) Fuel Stations	4.56	6.57
c) Others	219.00	230.44
d) Unallocated	5,398.76	3,926.47
Total Liabilities	**7,475.18**	**6,431.63**
Capital Employed	**8,466.24**	**8,464.72**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

46. Segment information (Contd..)

(₹ in Mn)

4. Depreciation and amortization expense	Year Ended March 31, 2020	Year Ended March 31, 2019
a) Express Distribution & Supply Chain	435.66	294.11
b) Fuel Stations	1.13	0.89
c) Others	0.16	0.16
Total	**436.95**	**295.15**

(₹ in Mn)

5. Significant non - cash Expenditure	Year Ended March 31, 2020	Year Ended March 31, 2019
a) Express Distribution & Supply Chain	195.43	16.64
b) Fuel Sales	-	-
c) Other Sales	1.00	1.25
Total	**196.43**	**17.89**

(₹ in Mn)

6. Captial Expenditure	Year Ended March 31, 2020	Year Ended March 31, 2019
a) Express Distribution & Supply Chain	323.88	403.47
b) Fuel Sales	3.34	0.57
c) Other Sales	-	-
Total	**327.22**	**404.04**

C. Geographical information

(₹ in Mn)

	Year Ended March 31, 2020	Year Ended March 31, 2019
1. Revenue from External Customers		
a) India	16,723.85	18,058.49
b) International	392.87	573.45
Total	**17,116.72**	**18,631.94**

(₹ in Mn)

	Year Ended March 31, 2020	Year Ended March 31, 2019
2. Segment Non Current assets *		
a) India	10,470.17	10,349.89
b) International	0.84	0.62
Total Assets	**10,471.01**	**10,350.51**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

47. Due to Micro enterprises and small enterprises

(₹ in Mn)

		As at March 31, 2020	As at March 31, 2019
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year :		
	Principal amount due to micro and small enterprises	11.66	-
	Interest due on above	-	-
	Total	**11.66**	**-**
(ii)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. There is no dues unpaid to Micro and Small Enterprises as on March 31 , 2020 (Previous year March 31, 2019)

48. Dividends

(₹ in Mn)

	Year ended March 31, 2020	Year ended March 31, 2019
Dividend on equity shares paid during the year including Tax Final Dividend for the FY 2019-20 [₹ 0.80 (Previous year ₹ 0.90) per equity share of ₹ 2 each]	104.75	115.54
	104.75	**115.54**

Proposed Dividend:

No Dividend has been proposed with the objective to conserve cash to be deployed for business post Covid -19

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

49. Financial instruments - fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2020, including their levels in the fair value hierarchy.

(₹ In Mn)

Particulars	Carrying amount					Fair value			
	FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities- amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Investment in Mutual funds	778.21	-	-	-	778.21	778.21	-	-	778.21
	778.21	**-**	**-**	**-**	**778.21**	**778.21**	**-**	**-**	**778.21**
Financial assets not measured at fair value									
Loans	-	-	268.10	-	268.10				
Other financial assets		-	292.87	-	292.87				
Trade receivables	-	-	2,053.40	-	2,053.40				
Cash and cash equivalents	-	-	336.63	-	336.63				
Other bank balances	-	-	149.27	-	149.27				
	-	**-**	**3,100.27**	**-**	**3,100.27**				
Financial liabilities not measured at fair value									
Borrowing	-	-	-	3,971.53	3,971.53				
Lease liabilities	-	-	-	791.74	791.74				
Trade payables	-	-	-	1,163.43	1,163.43				
Other financial liabilities	-	-	-	769.34	769.34				
	-	**-**	**-**	**6,696.04**	**6,696.04**				

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

B. Measurement of fair values

i. Valuation techniques and significant unobservable inputs

The fair value of cash and cash equivalents, bank balances, trade receivables, loans, investments in Debt instrument, borrowings, trade payables and other financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Group loans have been contracted at market rates of interest. Accordingly, the carrying value of such loans approximate fair value.

Investments in equity instruments, which are classified as FVOCI are based on market price at the respective reporting date.

ii. Level 1 fair values

The following table shows a reconciliation from the opening balance to the closing balance for Level 1 fair values.

(₹ in Mn)

Particulars	Fair values Equity instruments
Balance at March 31, 2018	**41.55**
Gain included on OCI	
Net change in fair value (unrealised)	(17.23)
Balance at March 31, 2019	**24.32**
Balance at March 31,2019	24.32
Current Investments during the year	771.96
Net Gain on Investments measured at FVTPL	6.24
Equity investments through other comprehensive income	(7.78)
Sale proceeds Non current Investments	(16.54)
Balance at March 31, 2020	**778.20**

C. Financial risk management

The Group'shas exposure to the following risks arising from financial instruments:

(i) Credit risk

(ii) Liquidity risk

(iii) Market risk

Risk management framework

The Group's principal financial liabilities includes borrowings, trade payable and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, cash and cash equivalents and other financial assets that derive directly from its operations.

The Group's activities expose it to credit risk, liquidity risk and market risk. The Group's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to customers, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2019, including their levels in the fair value hierarchy.

(₹ In Mn)

Particulars	Carrying amount					Fair value			
	FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities- amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Investment in equity instruments	-	24.32	-	-	24.32	24.32	-	-	24.32
	-	**24.32**	**-**	**-**	**24.32**	**24.32**	**-**	**-**	**24.32**
Financial assets not measured at fair value									
Loans	-	-	116.48	-	116.48				
Other financial assets	-	-	451.95	-	451.95				
Trade receivables	-	-	2,389.31	-	2,389.31				
Cash and cash equivalents	-	-	173.75	-	173.75				
Other bank balances	-	-	303.53	-	303.53				
	-	**-**	**3,435.02**	**-**	**3,435.02**				
Financial liabilities not measured at fair value									
Borrowing	-	-	-	3,669.44	3,669.44				
Trade payables	-	-	-	1,490.46	1,490.46				
Other financial liabilities	-	-	-	818.28	818.28				
	-	**-**	**-**	**5,978.18**	**5,978.18**				

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

C. Financial risk management (Contd..)

(a) Trade receivables and loans

As per simplified approach, the Group's makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments amd makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. The Group'suses a provision matrix to compute the credit loss allowance for trade receivables.

The movement of Trade Receivables and Expected Credit Loss are as follows :

(₹ in Mn)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivables (Gross)	2,390.44	2,630.82
Less: Expected Credit Loss	337.04	241.51
Trade Receivables (Net)	**2,053.40**	**2,389.31**

Reconciliation of Loss allowance provision (Trade Receivables)

(₹ in Mn)

	Amount
Loss Allowance on Mar 31, 2018	**302.56**
Change in Loss allowance	(61.05)
Loss Allowance in Mar 31, 2019	**241.51**
Change in Loss allowance	95.53
Loss Allowance in Mar 31, 2020	**337.04**

(b) Loans (Security deposits given):The Group has given security deposits to lessors for premises leased by the company as at the year end.the credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered good.

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows. Besides , it generally has certain undrawn credit facilities which can be accessed as and when required ; such credit facilities are reviewed at regular intervals. Thus , no liquidity risk is perceived at present.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Mn)

March 31, 2020	Contractual cash flows				
	Carrying amount	Total	Less than 1 year	1 to 5 years	More than 5 years
Borrowings	3,971.53	3,971.53	3,001.05	970.48	-
Lease liabilities	791.74	791.74	98.98	347.55	345.21
Trade payables	1,163.43	1,163.43	1,163.43	-	-
Other financial liabilities	769.34	769.34	762.59	6.75	-
	6,696.04	**6,696.04**	**5,026.05**	**1,324.78**	**345.21**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

C. Financial risk management (Contd..)

(₹ in Mn)

March 31, 2019	Carrying amount	Contractual cash flows			
		Total	Less than 1 year	1 to 5 years	More than 5 years
Borrowings	3,669.44	3,669.44	1,982.59	1,669.45	17.40
Trade payables	1,490.46	1,490.46	1,490.46	-	-
Other financial liabilities	818.28	818.28	748.84	69.44	-
	5,978.18	**5,978.18**	**4,221.89**	**1,738.89**	**17.40**

(iii) Floating exchange rate and Interest risk:

Floating exchange rate

Floating exchange rate with reference to Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The total unhedged foreign currency exposure at the year end towards Trade Receivable & Trade Payable is ₹15.50 Mn (Previous year ₹24.30 Mn) and ₹ 18.80 Mn (Previous Year ₹12.40 Mn) respectively. The Company does not have significant foreign currency exposure and hence, is not exposed to any significant foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates relates primarily to the Group's long term and short term borrowing with floating interest rates. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The interest rate profile of the Group interest bearing financial instruments at the end of the reporting period are as follows:

(₹ in Mn)

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed rate instruments		
Financial assets	-	-
Financial liabilities		
Non-Convertible Debentures ("NCD"), Secured	838.45	772.87
Term Loan From Banks	371.82	319.81
Term Loan From Financial Institutions	195.35	254.83
Finance lease Obligation (Refer Note.22)	-	162.25
Deposits from Public	126.79	135.90
Lease liability	791.74	
	2,324.15	**1,645.66**
Variable rate instruments		
Financial assets		-
Financial liabilities		
Term Loan From Banks	900.33	886.45
Cash Credit	1,538.79	1,137.33
	2,439.12	**2,023.78**

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

C. Financial risk management (Contd..)

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

(₹ in Mn)

Particulars	Effect on Profit before tax		Effect on total equity	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Variable rate instruments - increase by 100 basis points	24.39	20.24	24.39	20.24
Variable rate instruments - decrease by 100 basis points	(24.39)	(20.24)	(24.39)	(20.24)

The sensitivity analysis above has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year.

Equity risk

The Group's quoted equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The senior management reviews and approves all equity investment decisions.

Sensitivity analysis

Investment in equity instruments of the Group's are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The table below summaries the impact of increase/decrease of the Nifty 50 index on the Group's equity and profit for the period. The analysis is based on the assumption that the NSE nifty 50 equity index had increased/decreased by 10% with all other variables held constant, and that all the Group's equity instruments moved in line with the index.

(₹ in Mn)

Particulars	Effect on Profit before tax		Effect on total equity	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
NSE Nifty 50 - increase by 10% (March 31, 2018: 10%)	77.82	2.43	77.82	2.43
NSE Nifty 50 - decrease by 10% (March 31, 2018: 10%)	(77.82)	(2.43)	(77.82)	(2.43)

50 Capital management

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure the Group monitors the return on capital, as well as the level of dividends to equity shareholders. The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders and debt includes borrowings.

The Group monitors capital on the basis of the following gearing ratio.

(₹ in Mn)

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings(Including Current maturities of Long term Borrowings)	3,971.53	3,669.44
Less:-		
Cash and cash equivalents	(336.63)	(173.75)
Bank Balances other than cash and cash equivalents	(149.27)	(303.53)
Current Investments	(778.20)	-
Net debt	**2,707.43**	**3,192.16**
Equity	7,431.17	7,244.26
Gearing ratio	0.36	0.44

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

51 EARNINGS PER SHARE

(₹ in Mn)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit/(Loss) for the year	(782.90)	183.49
Weighted average number of shares outstanding (Nos.)	11,11,79,319	10,85,06,991
Diluted average number of shares outstanding (Nos.)	11,12,90,319	10,86,20,652
Basic Earnings Per Share (In ₹)	(7.04)	1.69
Diluted Earnings Per Share (In ₹)	(7.03)	1.69
Nominal value of shares outstanding (In ₹)	2	2

52. Related party disclosure

A. Names of related parties and related party relationship for the year ended March 31, 2020

i) Entity having Significant influence over the company

1. AllCargo Logistics limited (W.e.f 28th January 2020)

ii) List of Key managerial personnel

1. Mr Mahendra Agarwal – Founder & CEO
2. Mr Manoj Gupta – Chief Financial Officer (Resigned on 31st Jul 2018)
3. Mr Amit Pathak – Company Secretary, Chief Investor Relations & Compliance Officer (Resigned on 31st Dec-2018)
4. Mr Peter H Jayakumar – Chief Financial Officer (Appointed on 28th May 2019)
5. Ms. T S Maharani – Company Secretary, Chief Investor Relations & Compliance Officer (Appointed 02nd Aug-2019)
6. Mr K L Chugh – Chairman
7. Mr N Srinivasan – Director
8. Dr P S Reddy – Director
9. Mr Sunil Kumar Alagh – Director resigned on 5th December 2019
10. Mr P N Shukla – Director
11. Mr Yasuhiro Kaneda – Director
12. Ms Sheela Bhide – Director Ceased on 4th August 2019
13. Ms Savita Date Menon – Director Appointed on 2nd August 2019
14. Mr Sushil Kumar Jiwarajka – Director Appointed on 2nd August 2019 and resigned on 5th December 2019
15. Mr Shashi Kiran Shetty – Director Appointed on 4th February 2020
16. Mr Kaiwan Kalayaniwalla – Director Appointed on 4th February 2020
17. Mr Bala Subramanian Aghoramurthy – Deputy Managing Director of subsidiary

iii) Entities in which Key Managerial Personnel & their relatives able to exercise significant influence

1. TCI Finance Ltd.
2. TCI Hi-ways Pvt. Ltd.
3. Amrit Jal Ventures Private Ltd.
4. Gati Academy
5. TCI infrastructure Finance Limited
6. Gati infrastructure Sada Mangdar Power Pvt. Ltd.
7. Jaldi Traders & Commerce House Pvt. Ltd.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

52. Related party disclosure (Contd..)

A. Names of related parties and related party relationship for the year ended March 31, 2020 (Contd..)

		8. P D Agarwal Foundation 9. Gati Infrastructure Private Limited 10. Giri Road lines and Commercial Trading Private Limited 11. Share India 12. Solaflex Solar Energy Private Limited 13. Mandala Agribusiness Investments II Ltd (Related Party of Subsidiary) 14. TCI Telenet Solutions Pvt Ltd 15. Kintentsu World Express (India) Pvt Limited (Related Party of Subsidiary) 16. Fozal power Private Limited 17. ABC India Ltd
iv)	**Associate**	1. Gati Ship Ltd.

B. Summary of the transactions with related parties :

(₹ in Mn)

SL. No	Nature of Transaction	Key Managerial Personnel & Relatives		Entities in which Key Managerial Personnel & their relatives able to exercise significant influence		Total	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
a)	**EXPENDITURE**						
	Rent						
	TCI Finance Ltd	-	-	-	0.18	-	0.18
	Giri Roadlines & Commercial Trading Pvt Ltd	-	-	6.39	6.26	6.39	6.26
	Jaldi Traders & commerce house Pvt Ltd	-	-	15.04	14.86	15.04	14.86
	P.D.Agarwal Foundation	-	-	1.26	0.25	1.26	0.25
	TCI Telenet Solutions Pvt Ltd	-	-	3.60	3.60	3.60	3.60
	ABC India Limited	-	-	0.25	-	0.25	-
	Freight Expenses						
	TCI Hi-Ways Pvt Ltd	-	-	-	45.13	-	45.13
	Interest Expenses	-	-	-	-		
	Mandala Agribusiness Investments II Ltd	-	-	33.34	33.34	33.34	33.34
	Premium on redumption of debenture						
	Mandala Agribusiness Investments II Ltd	-	-	65.65	57.66	65.65	57.66
	Other expenses	-	-	-	-		
	Solaflex Solar Energy Private Limited	-	-	2.95	3.63	2.95	3.63
	Donation						
	Share India	-	-	3.60	3.60	3.60	3.60
	Remuneration						
	Mr. Mahendra Agarwal	34.06	33.33	-	-	34.06	33.33
	Mr. Manoj Kumar Gupta	-	4.72	-	-	-	4.72
	Mr. Bala Aghoramurthy	30.38	14.99	-	-	30.38	14.99
	Mr. Amit Pathak	-	2.65	-	-	-	2.65
	Ms T S Maharani	1.94	-	-	-	1.94	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

52. Related party disclosure (Contd..)

B. Summary of the transactions with related parties : (Contd..)

(₹ in Mn)

SL. No	Nature of Transaction	Key Managerial Personnel & Relatives		Entities in which Key Managerial Personnel & their relatives able to exercise significant influence		Total	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	Directors Sitting Fee						
	Mr K L Chugh	0.61	0.48	-	-	0.61	0.48
	Mr N Srinivasan	0.73	0.59	-	-	0.73	0.59
	Mr P N Shukla	0.71	0.72	-	-	0.71	0.72
	Dr P S Reddy	0.13	0.40	-	-	0.13	0.40
	Ms Sheela Bhide	0.44	0.75	-	-	0.44	0.75
	Mr Sunil Kumar Alagh	0.39	0.32	-	-	0.39	0.32
	Ms Savita Date Menon	0.33	-	-	-	0.33	-
	SushilKumar Jiwarajka	0.32	-	-	-	0.32	-
	Directors Commission						
	Mr K L Chugh (Chairman & Director)	-	0.50	-	-	-	0.50
	Mr N Srinivasan (Director)	-	0.35	-	-	-	0.35
	Mr P N Shukla (Director)	-	0.25	-	-	-	0.25
	Dr P S Reddy (Director)	-	0.25	-	-	-	0.25
	Ms Sheela Bhide (Director)	-	0.25	-	-	-	0.25
	Mr Sunil Kumar Alagh (Director)	-	0.25	-	-	-	0.25
	Mr Yasuhiro Kaneda (Appointed w.e.f. 04.11.2016)	-	0.25	-	-	-	0.25
	Manpower Expenses						
	Gati Academy	-	-	84.42	103.55	84.42	103.55
b)	**INCOME**						
	Freight	-	-	-	-		
	Kintentsu World Express (India) Pvt Limited	-	-	70.52	54.30	70.52	54.30
	Warehouse Income						
	Gati Academy	-	-	1.00	1.23	1.00	1.23
	TCI Hi-Ways Pvt Ltd	-	-	0.37	0.39	0.37	0.39
	Kintentsu World Express (India) Pvt Limited	-	-	36.20	31.59	36.20	31.59
	Fozal Power Private Limited	-	-	-	0.16	-	0.16
	Interest						
	Jaldi Traders & commerce house Pvt Ltd	-	-	1.13	-	1.13	-
	Solaflex Solar Energy Private Limited	-	-	0.47	0.55	0.47	0.55
	Rent	-	-	-	-		
	Gati Academy	-	-	0.39	0.53	0.39	0.53
	TCI Finance Limited	-	-	0.18	0.24	0.18	0.24
	TCI Hiways Pvt Ltd	-	-	0.07	0.07	0.07	0.07
	Management Fee						
	Gati Academy	-	-	-	0.84	-	0.84
	Dividend paid						
	Kintetsu World Express (India) Pvt. Ltd	-	-	4.32	4.96	4.32	4.96
	Sale of Investment/Property						
	P D Agarwal Foudation	-	-	62.50	-	62.50	-
	Giri Roadlines & Commercial Trading Pvt Ltd	-	-	12.22	-	12.22	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

52. Related party disclosure (Contd..)

C. Summary of the transactions with related parties :

(₹ in Mn)

S L . No	Nature of Transaction	Associates		Key Managerial Personnel(KMP) & Entities in which KMP & their relatives able to exercise significant influence		Total	
		As at 31st Mar 2020	As at 31st Mar 2019	As at 31st Mar 2020	As at 31st Mar 2019	As at 31st Mar 2020	As at 31st Mar 2019
a)	**Investments - Equity**						
	TCI Finance Ltd	-	-	-	24.00	-	24.00
	Gati Ship Limited	-	862.30	-	-	-	862.30
	Gati Ship Limited -Impairment	-	(862.30)	-	-	-	(862.30)
	Amrit Jal Ventures Private Ltd --Equity	-	-	-	187.50	-	187.50
	Amrit Jal Ventures Private Ltd -Impairment	-	-	-	(187.50)	-	(187.50)
	Investments - Debentures						
	Amrit Jal Ventures Private Ltd---OCD`s	-	-	-	345.72	-	345.72
	Amrit Jal Ventures Private Ltd - Impairment	-	-	-	(345.72)	-	(345.72)
	Gati Infrastructure Sada Mangder Private Ltd - OCD's	-	-	-	(99.34)	-	(99.34)
	Gati Infrastructure Sada Mangder Private Ltd - Impairment	-	-	-	99.34	-	99.34
b)	**Sundry Debtors - Trade Receivable**						
	Tci Hi Ways Pvt Ltd	-	-	0.10	0.08	0.10	0.08
	Kintentsu World Express (India) Pvt Limited	-	-	26.90	14.85	26.90	14.85
	Sundry Debtors - Other Receivable						
	Amrit Jal Ventures Private Ltd	-	-	176.76	176.76	176.76	176.76
	Gati Infrastructure Sada Mangder Private Ltd	-	-	38.95	38.95	38.95	38.95
	Provision Interest Receivable Amrit Jal Ventures Private Limited	-	-	(176.76)	(176.76)	(176.76)	(176.76)
	Provision Interest Receivable- Gati Infrastructure Sada Mangder Pvt Ltd	-	-	(38.95)	(38.95)	(38.95)	(38.95)
	TCI Finance Ltd	-	-	0.87	0.69	0.87	0.69
	TCI Highways Private Ltd	-	-	0.05	-	0.05	-
	Mr. Mahendra Agarwal	-	-	24.65	-	24.65	-
c)	**Loans & Advances - Given**						
	Jaldi Traders & Commerce House Private Ltd	-	-	57.04	57.04	57.04	57.04
	TCI Highways Private Ltd	-	-	171.61	171.78	171.61	171.78
	Less: Provision	-	-	(21.86)	-	(21.86)	-
d)	**Deposit (Given)**						
	Solaflex Solar Energy Private Limited	-	-	5.81	6.82	5.81	6.82
	Jaldi Traders & Commerce House Pvt Ltd	-	-	9.32	12.12	9.32	12.12
	TCI Telenet Solutions Pvt Ltd	-	-	1.80	1.80	1.80	1.80
e)	**Long term Borrowings**						
	Mandala Agribusiness Investments II Ltd	-	-	849.84	775.85	849.84	775.85

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

52. Related party disclosure (Contd..)

C. Names of related parties and related party transactions as at 31st Mar, 2020 (contd..)

(₹ in Mn)

S L . No	Nature of Transaction	Associates		Key Managerial Personnel(KMP) & Entities in which KMP & their relatives able to exercise significant influence		Total	
		As at 31st Mar 2020	As at 31st Mar 2019	As at 31st Mar 2020	As at 31st Mar 2019	As at 31st Mar 2020	As at 31st Mar 2019
f)	**Sundry Creditors**						
	Share India	-	-	0.30	0.30	0.30	0.30
	TCI Telenet Solutions Pvt Ltd	-	-	0.32	-	0.32	-
	Giri Road lines and Commercial Trading Pvt Ltd	-	-	0.57	-	0.57	-
	Gati Academy	-	-	1.55	8.06	1.55	8.06
	Solaflex Solar Energy Private Limited	-	-	0.20	0.11	0.20	0.11
	P.D.Agarwal Foundation	-	-	0.94	-	0.94	-
	Ms Sheela Bhide	-	-	-	0.03	-	0.03
	ABC India Limited	-	-	0.02	-	0.02	-
g)	**Deposit and Advance (Taken)**						
	Gati Academy	-	-	-	2.10	-	2.10
	P D Agarwal Foundation	-	-	-	25.00	-	25.00
h)	**Investment held for sale**						
	Gati Ship Limited	862.30	-	-	-	862.30	-
	Gati Ship Limited Provision	(862.30)	-	-	-	(862.30)	-
	Amrit Jal Ventures Private Ltd --Equity Shares	-	-	345.72	-	345.72	-
	Impairment on Amrit Jal Ventures Private Ltd - Equity Shares	-	-	(345.72)	-	(345.72)	-
	Gati Infrastructure Sada Mangder Private Ltd - OCD's	-	-	99.34	-	99.34	-
	Impairment on Gati Infrastructure Sada Mangder Private Ltd - OCD's	-	-	(99.34)	-	(99.34)	-
i)	**Corporate Guarantees given**						
	Gati Infrastructure Private Limited	-	-	236.00	236.00	236.00	236.00
	Gati Infrastructure Pvt Ltd (Provided in books)	-	-	(236.00)	(236.00)	(236.00)	(236.00)

(i) This is to confirm that the above transactions are (a) comprehensive and have been reviewed by Internal Auditors of the Company; (b) in the ordinary course of Business and at arm's length; (c) in compliance with applicable regulatory / statutory requirements including the Company's policy on Related Party Transactions.

(ii) The Management confirms that requisite test to determine the arms length has been done and documented and where required confirmation from the external experts has been obtained for such determination.

(iii) Related Party Transactions for which approval of the Audit Committee has been taken are well within the ambit of Omnibus Approval given by the Audit committee.

(iv) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given for FY 2019-20.

(v) The remuneration of directors is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

53. The value of company's 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 .

54. Advance receivable includes Rs. 41.00 Mn due from Air India Limited. The matter was referred to the arbitral tribunal which passed an award dated September 17, 2013, directing Air India Limited to pay an amount of ₹ 267.49 Mn to the company along with interest @18 % per annum on the awarded amount. Air India filed an appeal before the Hon`ble High court at Delhi for setting aside of award , which directed Air India to deposit ₹225 Mn to the company. The Company has offered a property at Hyderabad as an interim collateral security in this respect is pending. The matter being pending before the Division Bench of the said Hon`ble High Court at New Delhi, no adjustment is considered necessary by the management and the dues from air India limited of ₹ 41.00 Mn included in advances receivable is considered good for recovery by the management

55. The Group is in the process recovery of total overdue advances given ₹228.60 Mns 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 21.80 Mns in books and for ₹ 184.90 Mns the Board of Directors of the company has mandated the Managing Director to provide a personal guarantee which has not been furnished.

56. During the year ended March 31, 2018, management of Gati Kausar India Limited (GKIL) 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, Gati Kausar India Limited has not drawdown the committed loan aggregating to ₹ 610 Mn 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, the management of GKIL has considered a provision of ₹3.05 Mn to be adequate to meet its obligation and is confident that no further financial obligations would dwell on the GKIL.

57. a) The managerial remuneration paid to the Executive chairman and Deputy Managing Director of a subsidiary i.e., Gati Kintetsu Express Pvt Ltd 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 ₹40.31 Mn. Pending necessary approvals for the excess remuneration from members of the company, no adjustment to the Consolidated financial statements has been made as on March 31, 2020

b) An amount of Rs 14.09 Mn is recoverable from Executive Chairman of subsidiary i.e., Gati Kintetsu Express Pvt Ltd towards excess payment of managerial remuneration of ₹ 6.30 Mn for 2016-2017 and ₹ 7.79 Mn for 2017-2018, ₹ 6.30 Mn has since been received. 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.

58. a) During the year ended March 31,2020, Gati Kausar India Limited (GKIL), a subsidiary of the company, has incurred a loss of ₹ 141.60 Mn and as of that date, the accumulated losses amounting to ₹ 924.10 Mn has resulted in complete erosion of its net worth and the current liabilities exceeded its current assets by ₹ 853.30 Mn. These events together with the maturity of long-term debts aggregating to ₹ 91.50 Mn and ₹ 269.80Mn 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 56 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) One of the foreign subsidiary Gati Asia Pacific PTE Ltd. and one step down subsidiary Gati Honkong Ltd. incurred a net loss of Rs. 13.02 million for the financial year ended 31st March 2020 and, as of that date, the subsidiary's current liability and total liability exceeded its current assets and total assets by Rs.1.50 million respectively. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the subsidiary's ability to continue as a going concern.The management is of the view that going concern basis of accounting is appropriate for preparation of the said subsidiaries' financial statements and the said entities entitles will be able to realize the assets and discharge its liabilities as recorded in the normal course of its operations.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

59. The Operating loss 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 year is due to certain provisioning and lower business in March, 2020 due to lockdown.

60. 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 ₹1,000 Mns on January 21, 2020, Consequently paid up equity share capital increased to ₹243.89 Mns from ₹217.20 Mns and the Share premium increased to ₹ 3,412.33 Mns from ₹2,439.00 Mns 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₹1,000 Mns received, as equity infusion an amount of ₹230.10 mns has been deployed for working capital and the balance of₹769.90 Mns is invested temproraily in mutual funds.

b) 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 which includes 20.83% as per the above para "a" as on March 31, 2020.

61. 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%.

62. The Investment in AmritJal Ventures Pvt Ltd (AJVPL), of ₹187.5 Mn 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 statements of the year ended March 31, 2020.

63. The COVID-19 pandemic is rapidly spreading throughout the world. The operations of the Group were impacted, due to shutdown of all operating units and distribution centres, following nationwide lockdown by the Government of India. The Group has resumed operations in a phased manner as per directives from the Government of India. The Group 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 Group will continue to monitor any material changes to future economic conditions.

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

64. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associates

(₹ in Mn)

Name of the Enterprise	2019-20							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Parent								
Gati Limited	94.50%	8,000.69	73.84%	(578.13)	50%	(5.18)	74%	(583.31)
Subsidiaries								
Indian								
1. Gati-Kintetsu Express Pvt. Ltd.	40.81%	3,455.15	9.93%	(77.75)	77%	(7.95)	11%	(85.70)
2. Gati Kausar India Ltd.	-5.43%	(459.49)	18.10%	(141.67)	3%	(0.27)	18%	(141.94)
3. Gati Import Export Trading Ltd.	0.67%	56.59	-0.79%	6.19	0%	-	-1%	6.19
4. Zen Cargo Movers Pvt. Ltd.	-0.04%	(3.43)	0.02%	(0.19)	0%	-	0%	(0.19)
5. Gati Logistics Parks Pvt. Ltd.	0.25%	21.16	2.27%	(17.74)	0%	-	2%	(17.74)
6. Gati Projects Pvt. Ltd.	0.00%	0.10	0.00%	-				-
Foreign								
1. Gati Asia Pacific Pte Ltd.	0.25%	21.00	4.27%	(33.44)	-6%	0.60	4%	(32.83)
								-
Sub total		**11,091.77**		**(842.73)**		**(12.80)**		**(855.52)**
Inter company Elimination and consolidation adjustment	-43.24%	(3,660.61)	-0.01%	0.04	0%	-	0%	0.01
Total		**7,431.16**		**(842.70)**		**(12.80)**		**(855.51)**
Non Controlling Interest in all subsidiaries	12.23%	1,035.04	-7.64%	59.80	-24%	2.46	-8%	62.26
Grand total	**100.00%**	**8,466.21**	**100.00%**	**(782.90)**	**100%**	**(10.34)**	**100%**	**(793.25)**

65. The Subsidiary Companies considered in the Financial Statements are as follows:

(₹ in Mn)

Sl. No.	Name of the subsidiary	Country of Incorporation	% Voting Power as at 31st March,2020	% Voting Power as at 31st March, 2019
1	Gati Asia Pacific Pte Ltd.	Singapore	100%	100%
2	Gati Hong Kong Ltd*	Hong Kong	100%	100%
3	Gati Cargo Express (Shanghai) Co. Ltd*	China	100%	100%
4	Gati-Kintetsu Express Pvt. Ltd.	India	70%	70%
5	Gati Kausar India Ltd.	India	69.89%	79.88%
6	Gati Import Export Trading Ltd.	India	100%	100%
7	Zen Cargo Movers Pvt Ltd.	India	100%	100%
8	Gati Logistics Parks Pvt. Ltd.	India	100%	100%
9	Gati Projects Pvt. Ltd.	India	100%	100%

* Step Down Subsidiaries

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

66 Employee share-based payment:

Details of grants under various series are summarised below

(₹ in Mn)

S.No.	Description / Scheme No.	Year ended March 31, 2020		Year ended March 31, 2019	
		ESOS-2006	ESOS-2007	ESOS-2006	ESOS-2007
1	Date of shareholders' approval	11.10.2006	13.10.2007	11.10.2006	13.10.2007
2	Total number of options approved under ESOS	17,82,500	17,55,720	17,82,500	17,55,720
3	Vesting requirements	Commences at the expiry of two years from the date of grant			
4	Exercise price or pricing formula	At a discount of 25% on the average of the weekly high and low of the closing prices for the Company's Equity Shares quoted on the Bombay Stock Exchange and / or National Stock Exchange during the four weeks preceding the date of grant of the options.			
5	Maximum term of options granted	4 years			
6	Source of shares (primary, secondary or combination)	Primary			
7	Variation of terms of options	Nil			
8	Method used to account for ESOS - Intrinsic or fair value	The company has calculated the employee compensation cost using the fair value of the stock options			

(₹ in Mn)

S.No.	Description / Scheme No.	Year ended March 31, 2020		Year ended March 31, 2019	
		ESOS-2006	ESOS-2007	ESOS-2006	ESOS-2007
1	Number of options outstanding at the beginning of the year (un-granted)	6,54,988	9,65,200	5,90,988	9,59,050
2	Number of options granted during the year	Nil	Nil	Nil	Nil
3	Number of options forfeited/lapsed during the year	1,48,000	0	64,000	6,150
4	Number of options vested during the year	1,48,000	0	1,09,500	1,84,992
5	Number of options exercised during the year	0	0	87,000	1,78,842
6	Number of shares arising as a result of exercise of options	0	70500*	87,000	1,08,342
7	Amount realized by exercise of options (Rs.)	0	60,22,110	75,80,310	49,40,395
8	Loan repaid by the Trust during the year from exercise price received	NA	NA	NA	NA
9	Number of options outstanding at the end of the year (out of total number of options approved under ESOS)	8,02,988	9,65,200	6,54,988	9,65,200
10	Number of options exercisable at the end of the year (out of total number of options approved under ESOS)	94,905	16,095	2,42,905	16,095

(₹ in Mn)

	Stock Options granted on	Weighted average exercise price (in ₹)	Weighted average Fair value (in ₹)	Expected Volatility (%)	Expected Dividend (%)	Life of Options granted (Years)	Risk free interest rate (%)
11	06.02.2014	45.6	69.5	9.93%	1.69%	4	8%
	06.08.2014	85.42	113.79	12.59%	1.73%	4	8%
	26.04.2016	87.13	116.18	-6.92%	0.81%	4	8%
	04.11.2016	103.4	137.94	0.72%	0.81%	4	8%

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

66 Employee share-based payment: 9 (CONTD..)

(₹ in Mn)

	Stock Options granted on	Weighted average exercise price (in ₹)	Weighted average Fair value (in ₹)	Expected Volatility (%)	Expected Dividend (%)	Life of Options granted (Years)	Risk free interest rate (%)
12	**Employee wise details of options granted to**						
	a. Key managerial personnel			Nil	Nil	Nil	Nil
	b. Any other employee who receive a grant of options in any one year of option amounting to 5% or more of option granted during the year			Nil	Nil	Nil	Nil
	c. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants & conversions) of the Company at the time of grant			Nil	Nil	Nil	Nil
13	Description of the method and significant assumptions used during the year to estimate the fair value of the options, including the following weighted average information			The Black Scholes option-pricing model was developed for estimating fair value of traded options that have no vesting restrictions and are fully transferable. Since option-pricing models require use of substantive assumptions, changes therein can materially affect fair value of options. The option pricing models do not necessarily provide a reliable measure of fair value of options.			
14	The main assumptions used in the Black Scholes option-pricing model during the year were as follows:						
	(i) Weighted average values of share price			Refer point no. 11		Refer point no. 11	
	(ii) exercise price			Refer point no.11		Refer point no.11	
	(iii) Risk free interest rate			8%		8.00%	
	(iv) Expected Life of Options			3 years		3 years	
	(v) Expected volatility			26.04.2016 (-6.92%), 04.11.2016 (0.72%)		26.04.2016 (-6.92%),04.11.2016 (0.72%)	
	(vi) Dividend yield			0.81%		0.81%	
15	The method used and the assumptions made to incorporate the effects of expected early exercise			NA			
16	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility			We have considered the historical price of the company at the stock exchange, where the trading volume is high. The average closing price on weekly basis was taken to calculate the volatility of the shares.			
17	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.			No			

* 70500 shares are arising as a result of exercise of options during the Financial Year 2018-19

67. Previous GAAP figures have been reclassified/ regrouped wherever necessary.

68. The financial statements are approved for issue by the Audit Committee and by Board of Directors at its meeting held on July 3, 2020.

As per our report of even date

For Singhi & Co.
Chartered Accountants
ICAI Firm Registration No: 302049E

Anurag Singhi
Partner
Membership No: 066274
Place: Kolkata
Date: July 3, 2020

For and on behalf of the Board of Directors

Mahendra Agarwal
Founder & CEO
DIN: 00179779

Peter H Jayakumar
Chief Financial Officer

Place: Hyderabad
Date: July 3,2020

N Srinivasan
Director
DIN: 00004195

T S Maharani
Company Secretary
M No: F8069

Notes to Consolidated Financial Statements

for the year ended March 31, 2020

Statement containing salient features of the financial statements of subsidiaries/ associate companies/ joint ventures

PART "A": SUBSIDIARIES

(₹ in Mn)

Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	Gati Asia Pacific Pte Ltd.	April-March	SGD = INR 51.1243	467.04	(467.32)	0.75	1.03	-	0.78	(11.80)	-	(11.80)	-	100% held by Parent
2	Gati Hong Kong Ltd.	April-March	HKD = SGD 0.18379	33.35	(34.57)	4.53	5.75	-	0.66	(0.65)	-	(0.65)	-	100% held by GAP
3	Gati Cargo Express (Shanghai) Co. Ltd.	April-March	RMB = SGD 0.20074	98.98	(76.68)	52.77	30.47	-	410.50	(20.21)	-	(20.21)	-	100% held by GAP
4	Gati-Kintetsu Express Pvt. Ltd.	April-March	INR	5.00	3,450.13	7,773.39	4,318.27	-	11,640.31	(85.34)	(0.00)	(77.76)	-	70% held by Parent
5	Gati Kausar India Ltd.	April-March	INR	74.58	(534.08)	644.88	1,104.37	-	427.77	(141.67)	-	(141.67)	-	69.89% held by Parent
6	Gati Import Export Trading Ltd.	April-March	INR	23.00	33.59	331.53	274.95	-	1,191.44	9.08	0.00	6.19	-	100% held by Parent
7	Zen Cargo Movers Pvt Ltd.	April-March	INR	3.62	(7.05)	4.95	8.37	-	6.26	(0.13)	0.00	(0.19)	-	100% held by Parent
8	Gati Logistics Parks Pvt. Ltd.	April-March	INR	0.10	21.06	200.24	179.08	-	-	(17.74)	-	(17.74)	-	100% held by Parent
9	Gati Projects Pvt. Ltd.	April-March	INR	0.10	-	0.32	0.22	-	-	-	-	-	-	100% held by Parent

Names of the subsidiaries which are yet to commence operations

Sl. No.	Name of the companies
1	Gati Logistics Parks Pvt. Ltd
2	Gati Projects Pvt. Ltd

PART "B": ASSOCIATES AND JOINT VENTURES

Sl. No.	Name of the Associate/ Joint Venture	Latest audited Balance Sheet date	Shares of Associate/ Joint Ventures held by the company on the year end			Description of how there is a significant influence	Reason why the associate/joint venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit/loss for the year	
			No. of shares	Amount of Investment	Extent of holding %				Considered in consolidation	Not considered in consolidation
1	Gati Ship Ltd.	31st March, 2019	48,00,000	862.30	47.95%	There is no significant control over the company. So the results are not consolidated.	The company ceases to have significant control after the sale of stake of 12.09% on 16th May, 2014. Hence the same is not considered in consolidation.	11.08		(0.10)

The value of company's 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 .

Note: The accounts of the Subsidiary Companies have been audited by the respective statutory auditors and the financial statements of these Companies have been considered in the consolidation.

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)

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	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 ₹ 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. 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 ₹ 30.50 Lakhs 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 ₹ 141 Lakhs recoverable from Executive Chairman, towards excess payment of managerial remuneration of ₹ 63 Lakhs for 2016-2017 and ₹ 78 Lakhs for 2017-2018, ₹ 63 Lakhs has since been received. The balance ₹ 78 Lakhs 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

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



Registered Office and Corporate Office

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Hyderabad - 500 084, Telangana, India.
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CIN: L63011TG1995PLC020121

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