GATI LIMITED

Regd. & Head Office: 1-7-293, M G Road, Secunderabad 500 003.
website: www.gati.com e-mail: investor.services@gati.com

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 30th JUNE, 2011

(Rs. in Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	Year Ended		Year Ended	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010
Income from Operations	90,012	74,472	98,095	80,044
Net Sales	-	-	22,203	12,567
Other Operating Income	545	650	632	688
Total Income	**90,557**	**75,122**	**120,930**	**93,299**
Expenditure:				
- Cost of Sales	-	-	21,599	12,161
- Operating Expenses	61,128	48,612	68,074	53,521
- Employees Cost	10,582	8,580	11,297	9,147
- Administrative Expenses	8,535	7,929	9,052	8,342
- Repairs & Maintenance	1,029	1,409	1,030	1,428
- Depreciation	2,161	2,387	2,543	2,718
Total	**83,435**	**68,917**	**113,595**	**87,317**
Profit from Operations before Other Income, Interest and Tax	**7,122**	**6,205**	**7,335**	**5,982**
Other Income	18	19	14	46
Interest (Net)	4,844	4,309	4,976	4,425
Profit before Tax	**2,295**	**1,915**	**2,373**	**1,602**
Tax Expense	865	404	963	653
Net Profit for the year	**1,430**	**1,511**	**1,410**	**950**
Paid up Equity Share Capital (Face Value of the Share Rs.2/- each)	1,720	1,703	1,720	1,703
Reserves excluding Revaluation reserve	26,956	26,007	25,513	24,803
Earnings Per Share (EPS) a) Basic	1.68	1.78	1.65	1.12
b) Diluted	1.38	1.62	1.21	1.02
Public Shareholding - No. of shares	43,395,982	43,395,982	43,395,982	43,395,982
- Percentage of shareholding	50.46	50.96	50.46	50.96
Promoter & Promoter Group shareholding				
a) Pledged / Encumbered				
- No. of shares	38,049,700	34,786,700	38,049,700	34,786,700
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	89.30	83.30	89.30	83.30
- Percentage of shares (as a % of the total share capital of the company)	44.24	40.85	44.24	40.85
b) Non-encumbered				
- No. of shares	4,559,218	6,972,218	4,559,218	6,972,218
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	10.70	16.70	10.70	16.70
- Percentage of shares (as a % of the total share capital of the company)	5.30	8.19	5.30	8.19

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	Year Ended		Year Ended	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010
1. Segment Revenue (Net Sale / Income from each Segment)				
a) Express Distribution & Supply Chain	80,883	65,203	90,456	72,038
b) Coast to Coast (Shipping)	9,197	9,323	9,197	9,323
c) Fuel Sales	-	-	13,017	11,671
d) Other Sales	-	-	9,290	896
Less: Inter Segment Revenue	68	54	1,662	1,317
Net Sales / Income from Operations	90,012	74,472	120,298	92,611
2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment)				
a) Express Distribution & Supply Chain	9,616	7,903	9,576	7,518
b) Coast to Coast (Shipping)	8	208	8	208
c) Fuel Sales	-	-	150	154
d) Other Sales	-	-	100	36
Total	9,624	8,112	9,833	7,916
Less: i) Interest (net of Income)	(4,844)	(4,309)	(4,976)	(4,425)
ii) Other unallocable expenditure net off	(2,484)	(1,888)	(2,484)	(1,888)
Total Profit before tax	2,295	1,915	2,373	1,602
3. Capital Employed (Segment Assets - Segment Liabilities)				
a) Express Distribution & Supply Chain	2,677	4,056	6,220	6,114
b) Coast to Coast (Shipping)	21,726	16,886	21,726	16,888
c) Fuel Stations	-	-	730	786
d) Unallocated Corporate Assets	9,786	9,044	3,021	3,087
Total	34,189	29,986	31,697	26,877

Notes:

1. The consolidated financial results include those of the nineteen subsidiaries including eight overseas subsidiaries.

2. The Paid-up Equity Share Capital of the Company was increased during the year from Rs. 170,309,800/- to Rs. 172,009,800/- on allotment of 850,000 equity shares of Rs.2/- each at a premium of Rs.56.00 per share to one of the promoters on preferential basis on31-03-2011. The premium amount aggregating to Rs. 47,600,000/- has been credited to share premium account.

3. a) The Board of Directors at its meeting held today has granted stock options @ Rs.54/- per option to employees and non-executive Directors of 12,18,000 nos. and 1,60,000 nos. respectively under the Employee Stock Option Scheme.

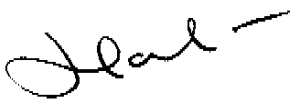
   b) 3071980 Options under Employee Stock Options Scheme were outstanding as on 30th June 2011.

4. The Company has initiated Arbitration Proceeding with the National Aviation Company of India Limited ("NACIL") in respect of certain disputes that had arisen between the Company and NACIL arising out of the Wet Lease Agreement, the Company had entered into with NACIL in the year 2007 wherein NACIL had invoked the Bank guarantee of Rs. 30.00 crores. The Company had objected to the wrongful invocation of the Bank guarantee and raised claims on NACIL in respect of the continuous breaches committed by it during the tenure of the Wet Lease Agreement. NACIL had in turn raised certain counter claims on the Company in the proceedings. The disputes are pending before the Arbitral Tribunal. No orders have been passed against the Company nor have any claims been adjudicated in the matter as on date. In the opinion of the Company's Attorneys, no provision is considered necessary at this stage. The Auditors in their report have stated their inability to express an opinion in the matter.

5. The remuneration to Managing Director paid / payable is in excess of the limit by Rs.38.63 lakhs in respect of which approvals are being sought from the shareholders and the Central Government.

6. Tax expense for the current year represents Income Tax, Tonnage Tax and Deferred Tax.

7. Gati Logistics Parks Pvt. Ltd. and Gati Projects Pvt. Ltd. were incorporated as wholly owned subsidiaries during the quarter ended June 30, 2011.



8. Statement of assets and liabilities as required under Clause 41(1)(ea) of the listing agreement:

Statement of Assets and Liabilities

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	Audited		Audited	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010
Shareholders' Funds :				
(a) Capital	1,720.10	1,703.10	1,720.10	1,703.10
(b) Share Warrants	1,640.59	1,763.84	1,640.59	1,763.84
(b) Reserves and Surplus (including Revaluation Reserve)	27,645.19	26,697.85	26,202.32	25,493.52
Loan Funds	45,732.48	45,372.22	46,826.97	45,413.50
Minority Interest	-	-	0.03	0.05
Deferred Tax Liability	923.81	848.45	1,036.20	959.66
Total	**77,662.17**	**76,385.46**	**77,426.21**	**75,333.66**
Goodwill on consolidation	-	-	2,169.01	2,068.21
Fixed Assets	43,039.62	44,273.77	45,186.02	45,331.61
Investments	7,736.87	7,062.61	2,020.79	2,020.79
Foreign Currency Monetary Item Translation Difference Account	-	66.56	-	66.56
CURRENT ASSETS, LOANS AND ADVANCES				
(a) Inventories	1,007.52	1,024.22	1,211.02	1,269.30
(b) Sundry Debtors	16,194.64	13,302.25	19,029.76	14,972.56
(c) Cash and Bank balances	2,147.97	1,275.61	3,187.65	1,917.98
(e) Loans and Advances	23,286.34	17,716.96	24,532.00	17,088.37
Less: Current liabilities and provisions				
(a) Liabilities	(10,599.24)	(4,781.18)	(14,638.52)	(5,871.48)
(b) Provisions	(5,151.55)	(3,555.33)	(5,299.40)	(3,560.57)
Miscellaneous expenditure (not written off or adjusted)	-	-	27.86	30.31
Total	**77,662.17**	**76,385.46**	**77,426.21**	**75,333.66**

9. The previous year figures have been regrouped / rearranged wherever necessary to make them comparable.

10. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their Meeting held on 10th August 2011.

11. The Directors have recommended a dividend of 50 paise per share (25%) for the year ended 30th June 2011.

12. Mr. Lagad Himmat Singh Daulat Rao, Whole Time Director has resigned effective 15th August, 2011.

13. Six complaints received from investors during the quarter ended June 30, 2011 have been resolved. There were no complaints outstanding at the beginning or at the end of the quarter.

For **GATI LIMITED**

Mahendra Agarwal
Managing Director & CEO

Place : Secunderabad
Date : 10th August 2011