GATI LIMITED

Regd. & Head Office: 1-7-293, M G Road, Secunderabad 500 003.

website: www.gati.com e-mail: investor.services@gati.com

CONSOLIDATED FINANCIAL RESULTS FOR QUARTER ENDED 30TH SEPTEMBER, 2013

Rs. In Lakhs

Particulars	Quarter Ended (Unaudited)			Year Ended (Audited)
	30.09.2013	30.06.2013	30.09.2012	30.06.2013
Income from Operations	29,931	27,238	25,753	108,114
Sale of Products	6,087	4,818	4,050	17,556
Other Operating Income	312	167	26	1,673
Total Income	**36,330**	**32,223**	**29,829**	**127,343**
Expenditure:				
- Cost of Sales	5,912	4,710	3,957	17,140
- Operating Expenses	21,635	20,002	18,501	78,588
- Employee Benefit Expenses	3,333	3,338	2,736	12,364
- Depreciation/Amortisation	794	673	567	2,475
- Other Expenses	2,945	2,293	2,930	10,852
Total	**34,619**	**31,016**	**28,691**	**121,419**
Profit/loss from Operations before Other Income, finance cost and exceptional items	**1,711**	**1,207**	**1,138**	**5,924**
Other Income	362	654	368	1,609
Profit before finance cost and exceptional item	**2,073**	**1,861**	**1,506**	**7,533**
Finance Cost	1,070	1,048	1,135	4,367
Profit / loss after finance costs but before exceptional item	**1,003**	**813**	**371**	**3,166**
Exceptional Item		-	(482)	-
Profit after exceptional but before extraordinary items	**1,003**	**813**	**(111)**	**3,166**
Extraordinary Items		(113)		(842)
Profit Before Tax	1,003	700	(111)	2,324
Tax Expense	427	(21)	416	597
Net Profit after tax	**576**	**721**	**(527)**	**1,727**
Minority Interest	(116)	(51)	(252)	(764)
Net profit for the period/year	**460**	**670**	**(779)**	**963**
Paid up Equity Share Capital (Face Value of the Share Rs.2/- each)	1,732	1,732	1,732	1,732
Reserves excluding Revaluation reserve as per balance sheet of previous accounting year	-	-	-	38,906
Earnings Per Share (EPS) a) Basic	0.53	0.77	(0.61)	1.11
b) Diluted	0.39	0.58	(0.45)	0.82
PARTICULARS OF SHAREHOLDING				
Public Shareholding - No. of shares	53,693,857	48,603,857	48,161,762	48,603,857
- Percentage of shareholding	62.01	56.14	55.63	56.14
Promoter & Promoter Group shareholding				
a) Pledged / Encumbered				
- No. of shares	27,181,307	36,771,307	35,436,307	36,771,307
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	82.65	96.82	92.23	96.82
- Percentage of shares (as a % of the total share capital of the company)	31.39	42.47	40.93	42.47
b) Non-encumbered				
- No. of shares	5,707,123	1,207,123	2,984,218	1,207,123
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	17.35	3.18	7.77	3.18
- Percentage of shares (as a % of the total share capital of the company)	6.59	1.39	3.45	1.39
INVESTOR COMPLAINTS				
- Pending at the beginning of the quarter	Nil			
- Received during the quarter	4			
- Disposed of during the quarter	4			
- Remaining unresolved at the end of the quarter	Nil			

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Rs. In Lakhs

Particulars	Quarter Ended (Unaudited)			Year Ended (Audited)
1. Segment Revenue (Net Sale / Income from each Segment)	**30.09.2013**	**30.06.2013**	**30.09.2012**	**30.06.2013**
a) Express Distribution & Supply Chain	29,515	26,953	25,141	107,406
b) Shipping	737	398	639	2,405
c) Fuel Sales	4,944	4,633	3,822	16,708
d) Other Sales	1,143	245	232	907
Total	**36,339**	**32,229**	**29,834**	**127,426**
Less: Inter Segment Revenue	(9)	(6)	(5)	(83)
Net Sales / Income from Operations	**36,330**	**32,223**	**29,829**	**127,343**
2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment)				
a) Express Distribution & Supply Chain	2,223	2,023	2,463	10,310
b) Shipping	(257)	(306)	(634)	(1,513)
c) Fuel Sales	78	78	62	217
d) Other Sales	29	65	9	35
Total	**2,073**	**1,860**	**1,900**	**9,049**
Less: i) Interest	1,070	1,048	1,135	4,367
ii) Other unallocable expenditure/Income net off	-	(1)	394	1,516
Total Profit before tax, Exceptional Items and Extraordinary Items	**1,003**	**813**	**371**	**3,166**
3 Capital Employed				
a) Express Distribution & Supply Chain	65,296	67,956	20,598	67,956
b) Shipping	19,025	19,310	15,636	19,310
c) Fuel Stations	554	584	921	584
e) Unallocated/ Corporate/Inter Segment	(7,230)	(9,745)	5,146	(9,745)
Capital Employed	**77,645**	**78,105**	**42,301**	**78,105**

Notes:

1. The company and its 12 subsidiaries including 5 overseas step down subsidiaries are engaged primarily in the business of running Express Distribution, Supply Chain Services, Shipping, Integrated Freight Forwarding, Warehousing and Fuel stations.

2. The Learned Arbitral Tribunal adjudicating on the disputes between the Company and Air India Limited (erstwhile NACIL) in respect of the discontinued freighter operations of the Company,has passed its Award dated 17th September 2013, whereby, it has *inter alia* directed Air India Limited to pay an amount of Rs. 26.82 Crores to the Company. Further, the Learned Tribunal has directed Air India Limited to pay interest @ 18% per annum on the awarded amount to the Company, if the amounts are not paid within one month from 17th September 2013.

3. The Company has been allotted 34,57,236 Optionally Convertible Debentures of face value of Rs. 100/- each aggregating to Rs. 34,57,23,600 on 5th September 2013 by Amrit Jal Venture Private Limited (holding Company implementing Hydro Power Projects, in which the Managing Director is a director) and the options are exercisable after one year from the date of allotment with a coupon rate of 14.5% per annum.

4. Pursuant to the notification issued by the ministry of Corporate Affairs dated 29th December 2011 on Accounting Standard 11, the company has opted to adjust the carrying cost of depreciable fixed assets/ to amortize the exchange differences on the Long term Foreign Currency Monetary Items over their tenure. Accordingly as on September 30, 2013, the loss on exchange variance of Rs 682.65 lakhs has been transferred to the "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA). The amortization for the quarter on this account is Rs.172.85 lakhs. The balance of Rs. 2026.88 lakhs in the FCMITDA has been carried forward.

5. The standalone financial results of the company for the quarter ended 30th September, 2013 are as follows: Rs in Lakhs

Particulars	Quarter ended			Year ended
	30.09.2013	30.06.2013	30.09.2012	30.06.2013
Turnover	7831	7441	2443	16113
Profit before tax	172	610	115	1618
Net Profit after tax	172	1024	106	2536

6. Tax expense is net of Income Tax Provision and recognition of Deferred Tax Asset/Liability.

7. 14, 53,255 options under Employee Stock Options Scheme were outstanding as on September 30, 2013.

8. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 6, 2013.

9. The statutory auditors have carried out a limited review of the above financial results.

10. The standalone financial results of the Company are available for investors at www.gati.com, www.nseindia.com and www.bseindia.com

For **GATI LIMITED**

Mahendra Agarwal
Founder & CEO

Place: Secunderabad
Date: November 6, 2013

GATI LIMITED

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

UNAUDITED FINANCIAL RESULTS FOR QUARTER ENDED 30th SEPTEMBER, 2013

Rs. In Lakhs

Particulars	Standalone			
	Quarter Ended(Unaudited)			Year Ended (Audited)
	30.09.2013	30.06.2013	30.09.2012	30.06.2013
Income from Operations	2,604	2,105	2,417	9,386
Net Sales	4,944	4,615		4,615
Other Operating Income	283	721	26	2,112
Total Income	**7,831**	**7,441**	**2,443**	**16,113**
Expenditure:				
- Cost of Sales	4,846	4,522	-	4,522
- Operating Expenses	2,066	1,609	2,185	7,819
- Employee Benefit Expenses	351	398	245	1,273
- Depreciation/ amortisation	189	84	26	209
- Other Expenses	217	209	143	886
Total	7,669	6,822	2,599	14,709
Profit/loss from Operations before Other Income, finance cost and exceptional items	162	619	(156)	1,404
Other Income	160	182	274	812
Profit before finance cost and exceptional item	322	801	117	2,216
Finance Cost	150	191	127	598
Profit / loss after finance costs but before exceptional item	172	610	(9)	1,618
Exceptional Item	-	-	124	
Profit before tax	172	610	115	1,618
Tax Expense	-	(414)	9	(918)
Net Profit after tax	172	1,024	106	2,536
Paid up Equity Share Capital (Face Value of the Share Rs.2/- each)	1,732	1,732	1,732	1,732
Reserves excluding Revaluation reserve as per balance sheet of previous accounting year	-	-	-	81,823
Earnings Per Share (EPS) a) Basic	0.20	1.18	0.13	2.93
b) Diluted	0.15	0.88	0.10	2.17
PARTICULARS OF SHAREHOLDING				
Public Shareholding - No. of shares	53,693,857	48,603,857	48,161,762	48,603,857
- Percentage of shareholding	62.01	56.14	55.63	56.14
Promoter & Promoter Group shareholding				
a) Pledged / Encumbered				
- No. of shares	27,181,307	36,771,307	35,436,307	36,771,307
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	82.65	96.82	92.23	96.82
- Percentage of shares (as a % of the total share capital of the company)	31.39	42.47	40.93	42.47
b) Non-encumbered				
- No. of shares	5,707,123	1,207,123	2,984,218	1,207,123
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	17.35	3.18	7.77	3.18
- Percentage of shares (as a % of the total share capital of the company)	6.59	1.39	3.45	1.39
INVESTOR COMPLAINTS				
- Pending at the beginning of the quarter	Nil			
- Received during the quarter	4			
- Disposed of during the quarter	4			
- Remaining unresolved at the end of the quart	Nil			

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Rs. In Lakhs

Particulars	Quarter Ended(Unaudited)			Year Ended (Audited)
	30.09.2013	30.06.2013	30.09.2012	30.06.2013
1. Segment Revenue (Net Sale / Income from each Segment)				
a) Express Distribution & Supply Chain	2,887	2,808	2,443	11,482
b) Fuel Sales	4,944	4,633		4,631
Less: Inter Segment Revenue				
Net Sales / Income from Operations	**7,831**	**7,441**	**2,443**	**16,113**
2. Segment Results (Profit (+) / Loss (-) before tax and interest from each Segment)				
a) Express Distribution & Supply Chain	244	723	117	2,138
b) Fuel Sales	78	78		78
Total	**322**	**801**	**117**	**2,216**
Less: i) Interest Expense	150	191	127	598
Total Profit before tax and Exceptional Item	**172**	**610**	**(9)**	**1,618**
3. Capital Employed (Segment Assets - Segment Liabilities)				
a) Express Distribution & Supply Chain	97,388	95,117	1,732	95,117
b) Fuel Stations	554	584		584
c) Unallocated/ Corporate	(15,104)	(12,147)	-	(12,147)
Total	**82,838**	**83,554**	**1,732**	**83,554**

Notes:

1. Other operating income includes Rs.188.59 Lakhs profit on sale of land and management fee of Rs.81.08 Lakhs during the quarter. The other operating income of the previous quarter ending June 30, 2013 included dividend income of Rs. 350 Lakhs from subsidiaries.

2. The Learned Arbitral Tribunal adjudicating on the disputes between the Company and Air India Limited (erstwhile NACIL) in respect of the discontinued freighter operations of the Company,has passed its Award dated 17th September 2013, whereby, it has *inter alia* directed Air India Limited to pay an amount of Rs. 26.82 Crores to the Company. Further, the Learned Tribunal has directed Air India Limited to pay interest @ 18% per annum on the awarded amount to the Company, if the amounts are not paid within one month from 17th September 2013.

3. The Company has been allotted 34,57,236 Optionally Convertible Debentures of face value of Rs. 100/- each aggregating to Rs. 34,57,23,600 on 5th September 2013 by Amrit Jal Venture Private Limited (holding Company implementing Hydro Power Projects, in which the Managing Director is a director) and the options are exercisable after one year from the date of allotment with a coupon rate of 14.5% per annum.

4. Pursuant to the notification issued by the ministry of Corporate Affairs dated 29th December 2011 on Accounting Standard 11, the company has opted to adjust the carrying cost of depreciable fixed assets/ to amortize the exchange differences on the Long term Foreign Currency Monetary Items over their tenure. Accordingly as on September 30, 2013, the loss on exchange variance of Rs 682.65 lakhs during the quarter has been transferred to the "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA). The amortization for the quarter on this account is Rs. 172.85 lakhs. The balance of Rs.2026.88 lakhs in the FCMITDA has been carried forward.

5. 14, 53,255 options under Employee Stock Options Scheme were outstanding as on September 30, 2013

6. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 6, 2013.

7. The figures of the current quarter are not comparable with those of the corresponding previous year due to the implementation of Scheme of Arrangement with effect from 31st March, 2013.

8. The statutory auditors have carried out a limited review of the above financial results.

For **GATI LIMITED**

Place: Secunderabad
Date: November 6, 2013

Mahendra Agarwal
Founder & CEO