



August 12, 2021

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. Tel: 022 - 2272 1233 / 34 Fax: 022 - 2272 2131 / 1072/ 2037 / 2061 / 41	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
Scrip Code: 532345 ISIN No.: INE152B01027 Re.: Gati Limited	Symbol : GATI ISIN No.: INE152B01027 Re.: Gati Limited

Dear Sir/Ma'am,

Sub: Investor Presentation

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (the "Listing Regulations"), we are enclosing herewith a copy of Investor Presentation on financial results of the Company for the quarter ended June 30, 2021.

The aforesaid Investor Presentation will also be uploaded on the website of the Company i.e. www.gati.com.

Kindly take the above on your record.

Thanking you,

Yours faithfully,
For **Gati Limited**

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

Corporate & Regd. Office: Gati Limited

Plot No.20, Survey No.12, Kothaguda, Kondapur, Hyderabad - 500 084, Telangana, India. Tel.: (040) 71204284, Fax: (040) 23112318

investor.services@gati.com | CIN: L6301ITGI995PLC020121 | Toll Free No.:1860 123 4284 | www.gati.com



India's Premier Express Logistics Company

Earnings Presentation
Q1FY22



Safe Harbor

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Pioneer in Express Logistics

In a nutshell



Network Leader in Logistics

Pan India
668
offices across India

735
out of 739
Indian Districts Covered

Global Offices
across more than
180
Countries

99%
GOI approved
Pin-codes coverage

Reach Widest in Industry



4.1 Mn sq. ft.
Warehousing space across
multiple Locations

Area
Coverage



31 Hubs

Total
Hubs



300
Group offices in more than
180 countries

Global
Access

Deeper Customer engagements



8 out of Top 10
Auto Companies



8 out of Top 10
Pharma Companies



7 out of Top 10
Retail/Textile Companies



Major
E-Com Companies

Key Consolidated Highlights for Q1 FY22



₹ Revenue

Revenue at Rs. 291 Crores up by 78.7% Y-o-Y and down by 27.1% Q-o-Q

Bar Chart Gross Margins

Gross margins at 23.6%. Excluding May, gross margins were back to 30%

Line Chart EBITDA

EBITDA at Rs. 1 Crore. EBITDA margins at 0.4% compared to EBITDA loss of Rs. 22 Crores

Bar Chart PAT

Reported PAT at Rs. -21 Crores. Adjusted PAT at Rs. -8 Crores

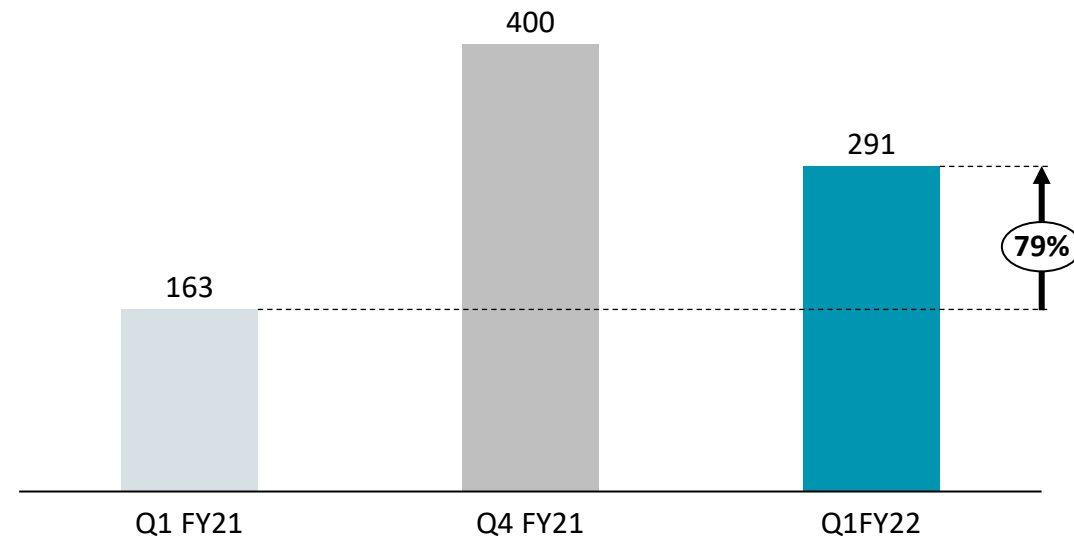
Key Highlights:

- ✓ **Signed 200+ new contracts** across KEA and SME's. **Added 7 new franchisee and 42 GA's.**
- ✓ Implementation **Digital payment system** on bookings, deliveries and Freight. **More than 30% of cash collections** are now coming through digital payment
- ✓ **Headcount rationalization** continues with GKEPL lower by another **153 employees QoQ (400 employees lower on YoY basis)**
- ✓ **Improving working capital: DSO days** improved by **53 days YoY**. Efforts to further improve the same by another 15-20 days.
- ✓ Continued deleveraging of debt by **~Rs 11 Crores in Q1FY22**. Rationalization of interest costs by **10-60 bps**. Post Kausar deal **consolidated debt now at Rs 176 Crores**

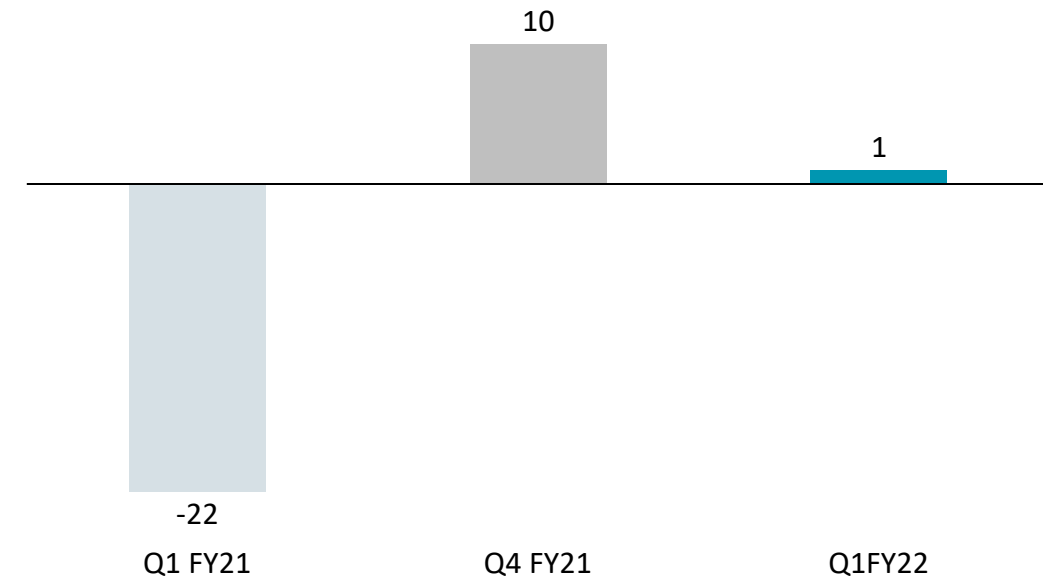
Consolidated Financial Performance (Adjusted)



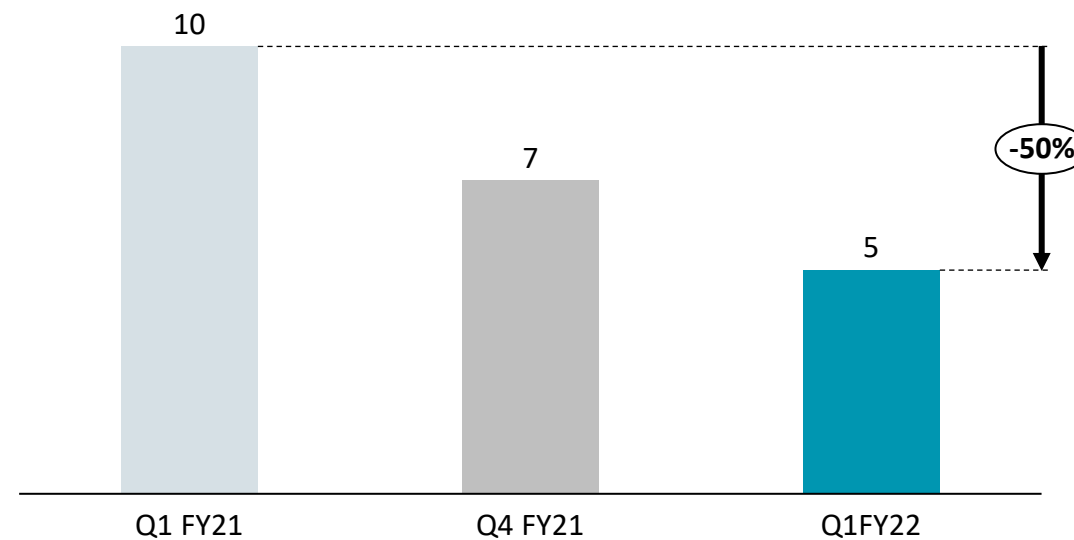
Revenue (Rs. Crores)



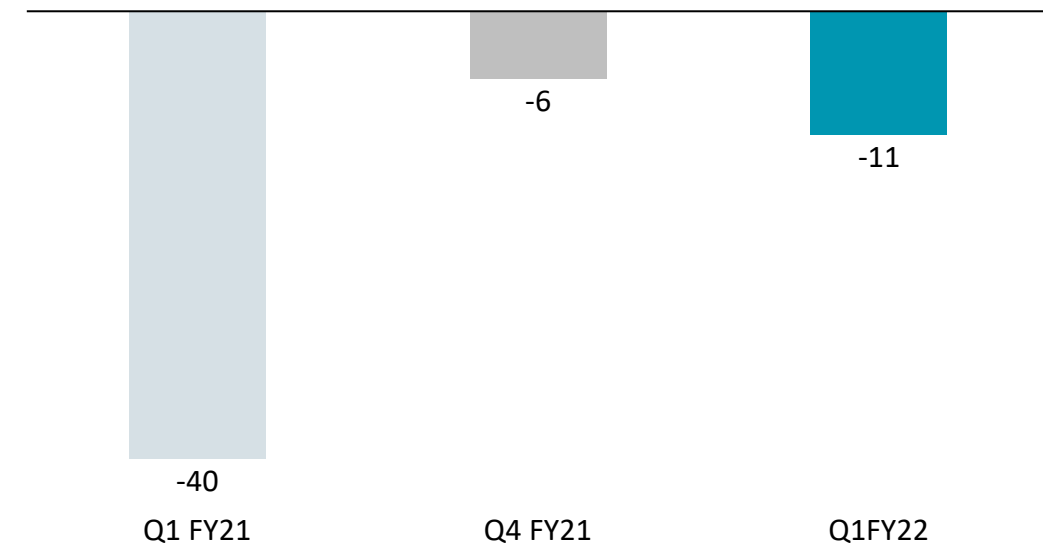
EBITDA (Rs. Crores)



Interest Cost (Rs. Crores)



PBT* (Rs. Crores)

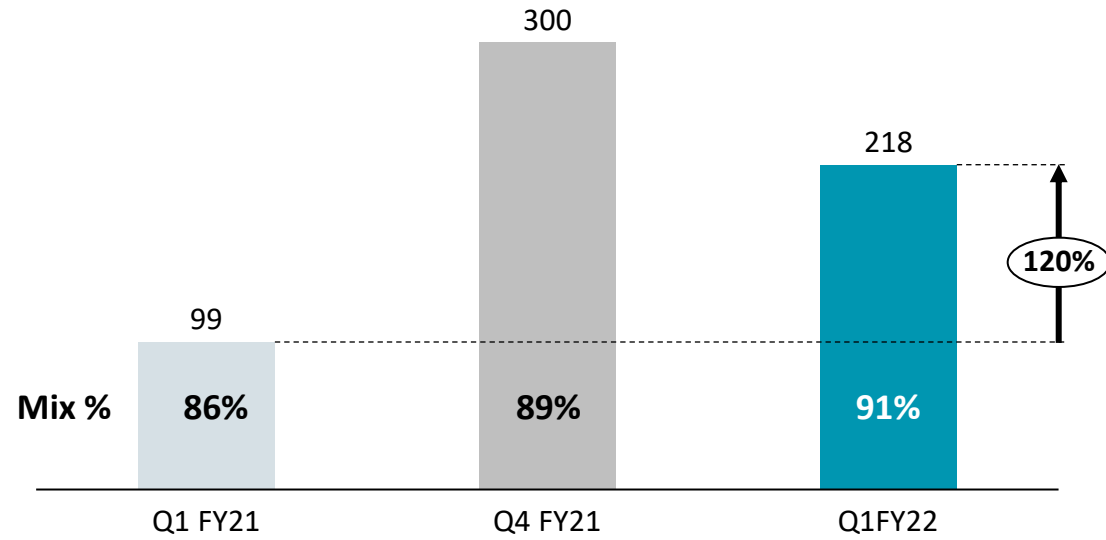


*Pre-exceptional Items

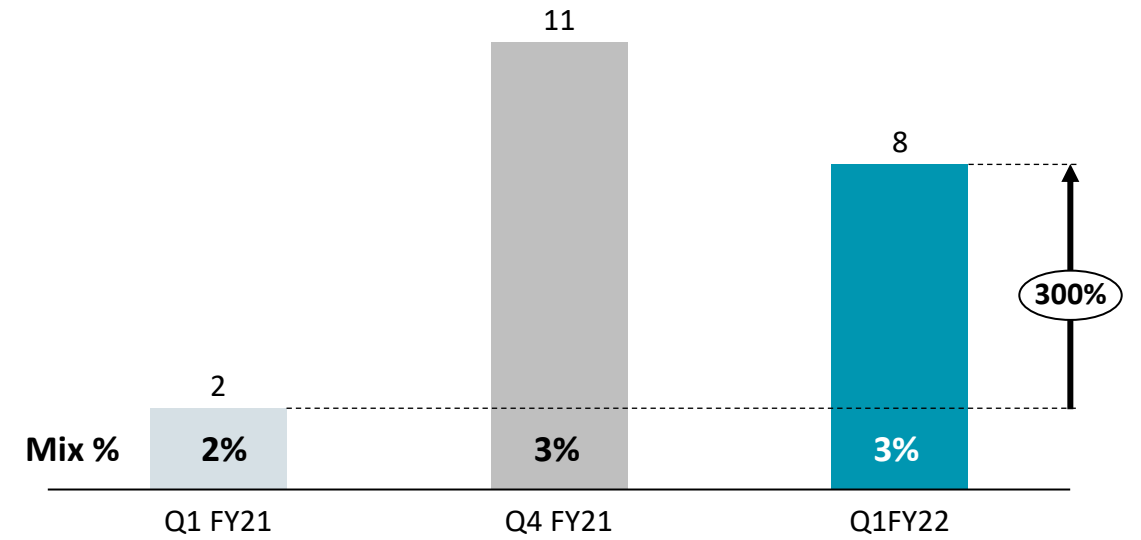
Segmental Performance



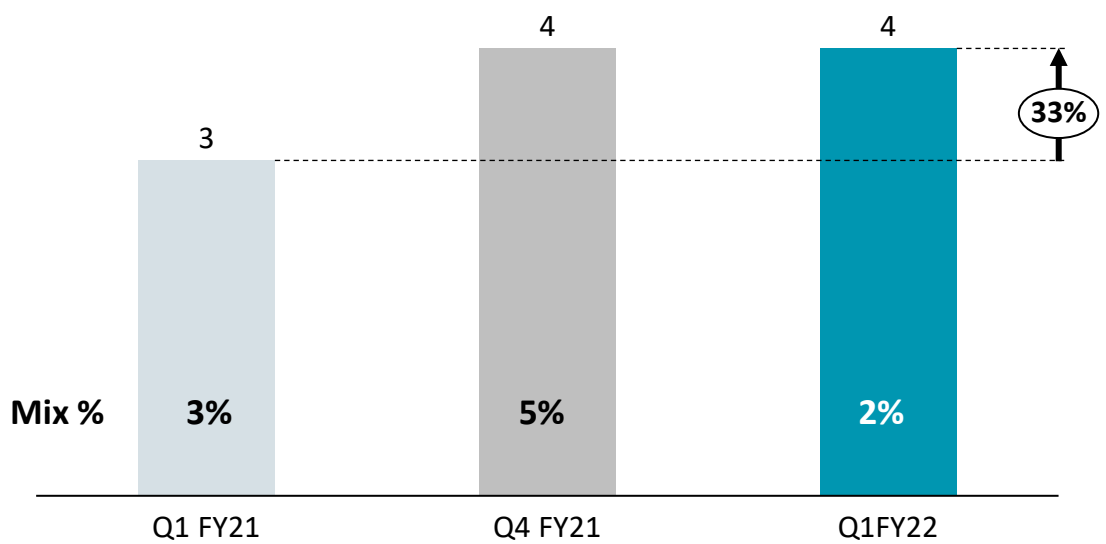
Surface Express Revenue
(Rs. Crores)



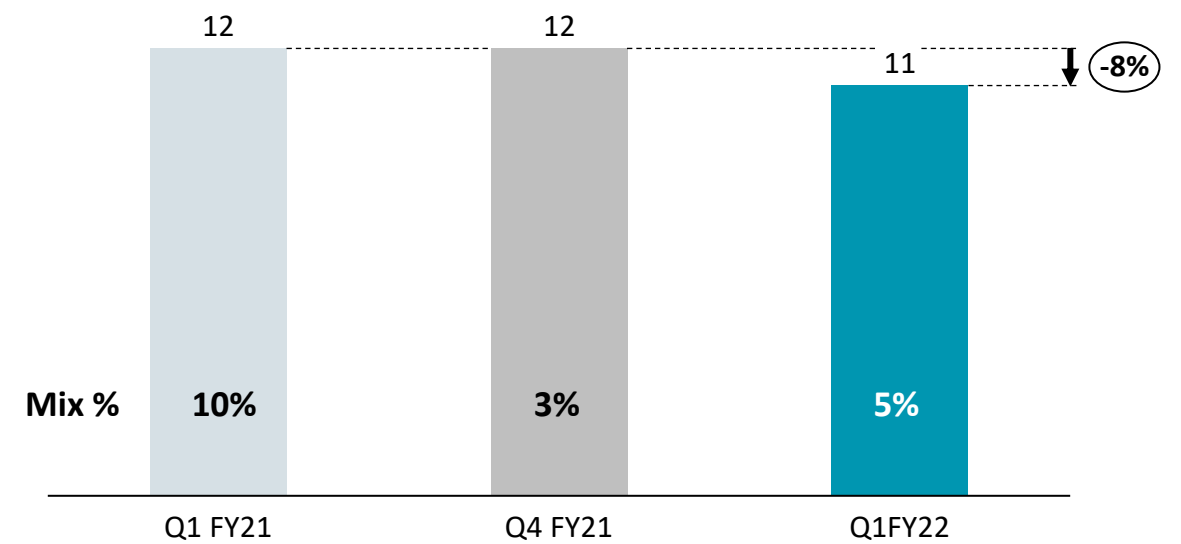
Air Express Revenue
(Rs. Crores)



E-commerce Revenue
(Rs. Crores)



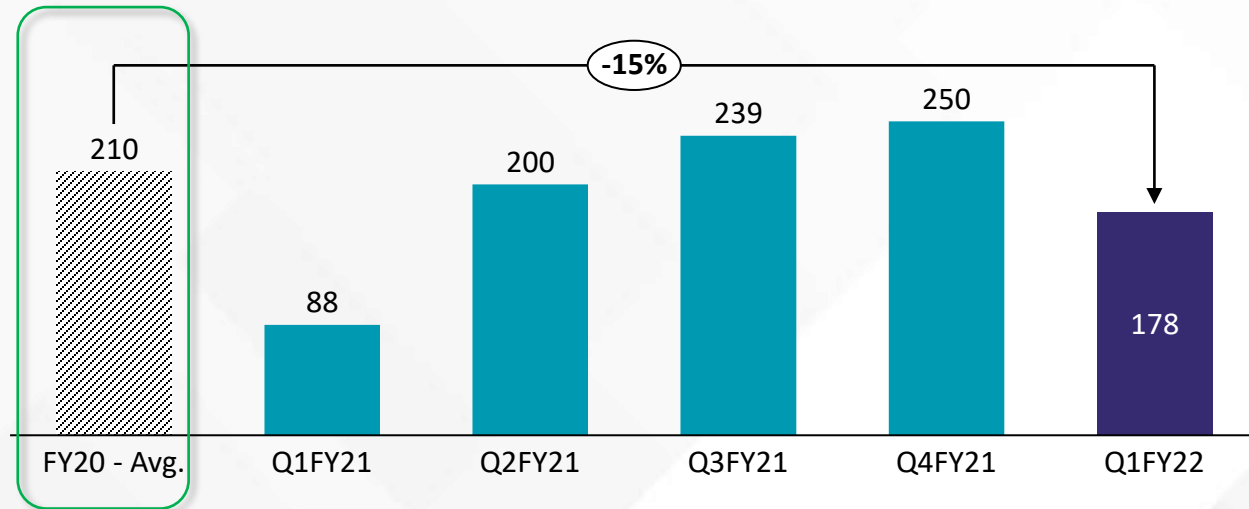
SCM Revenue
(Rs. Crores)



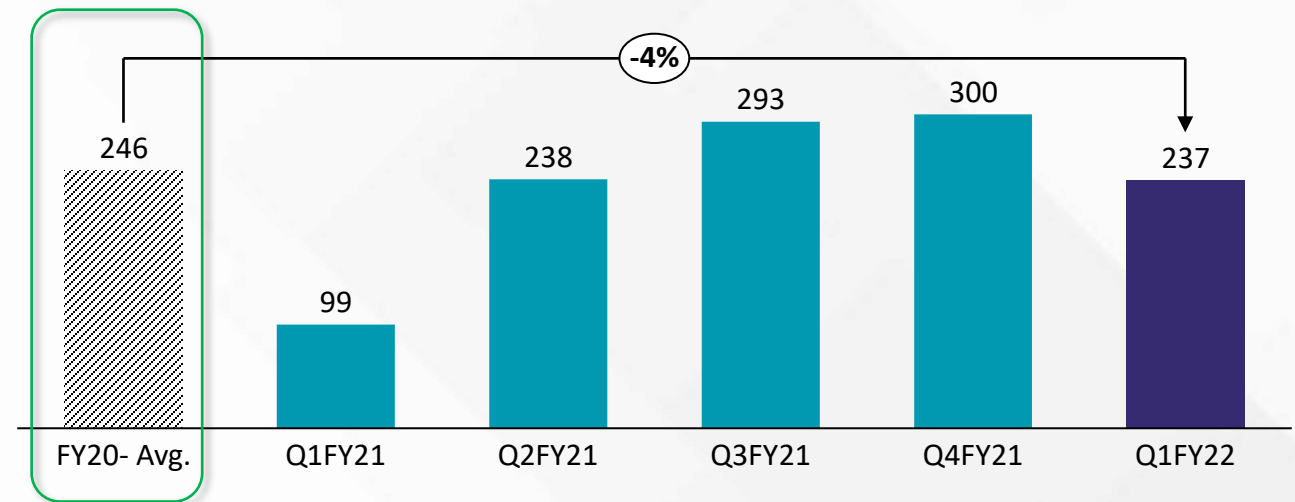
Express business – Key Highlights



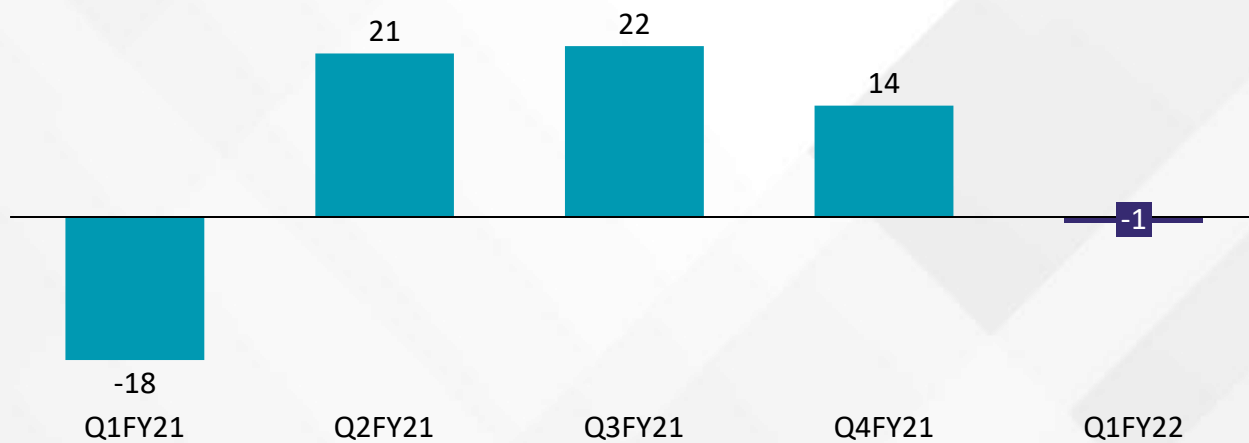
Volumes ('000 MT) 15% de-growth vs. FY20 average



Revenue (Rs. Crores) 4% de-growth vs. FY20 average



EBITDA (Rs. Crores)



No. of Employee (Consolidated)



Surface Express Distribution



Complete range of Express Distribution Services



Multi-modal delivery to 99% of Government of India approved pincodes



Provision to move *time-sensitive parcels, freight or special cargo*



Customised end-to-end logistics solutions



Unparalleled reach to over 99% of India's districts



State-of-the-art tracking services



Quick and trusted claim process



Over 5,000 trucks and rail services



Over 600 offices

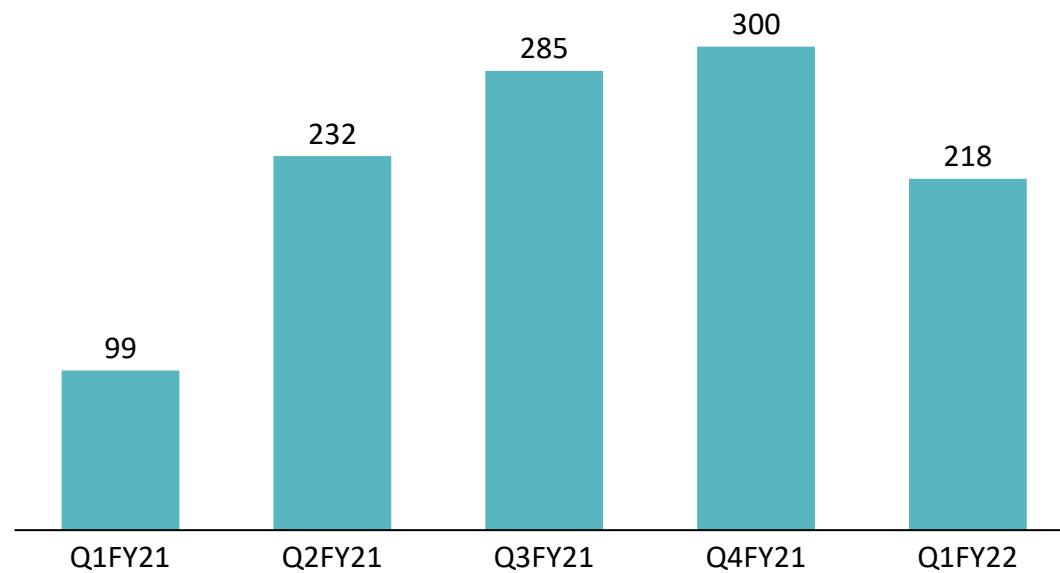


Reverse logistics expertise

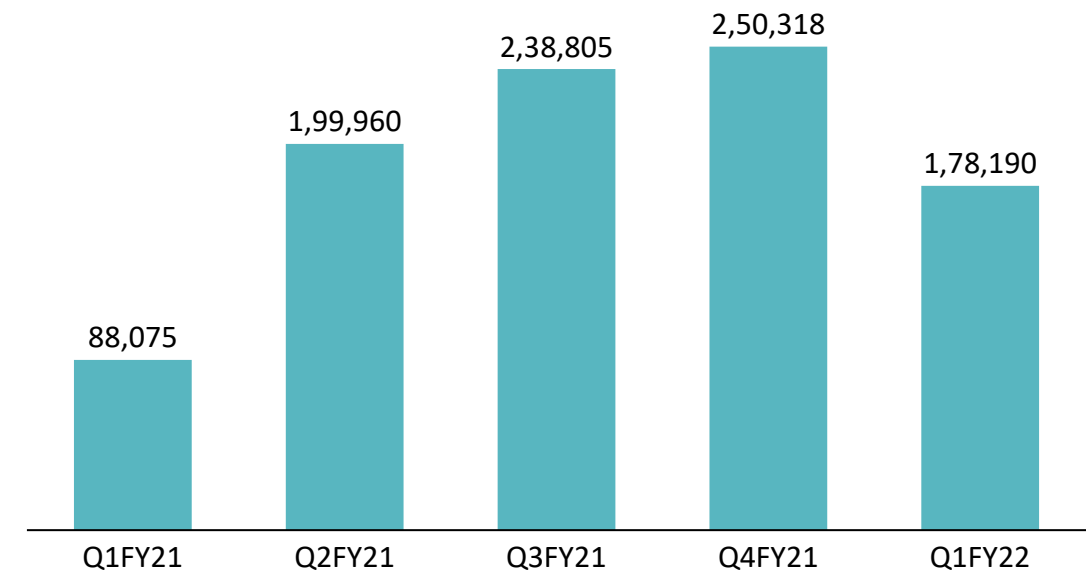


Guaranteed on-time deliveries

Revenue (Rs. Crores)



Tonnage handled (MT)





Customized Air Freight solutions and Guaranteed air deliveries across the country in Tier 1 and 2 cities



Direct connection to 34 commercial airports across the country ensuring **deliveries within 24 to 48 hours**



Truly end-to-end Air freight solutions



Direct connectivity to India's major commercial airports



Customized solutions for customer's requirement



Unmatched convenience – multiple cut-offs, late pickups. Next Day delivery

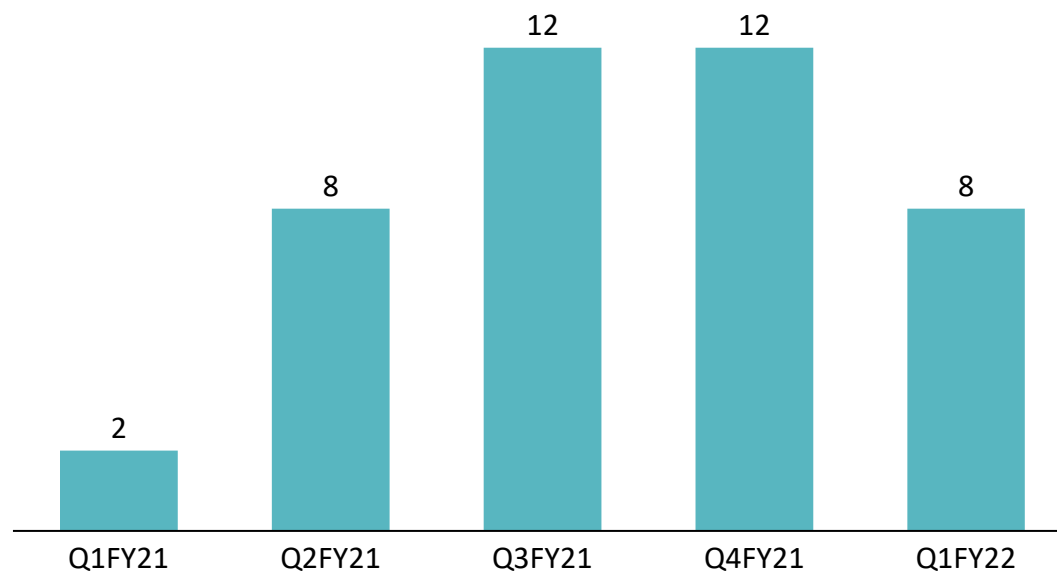


Trained staff for Dangerous Goods

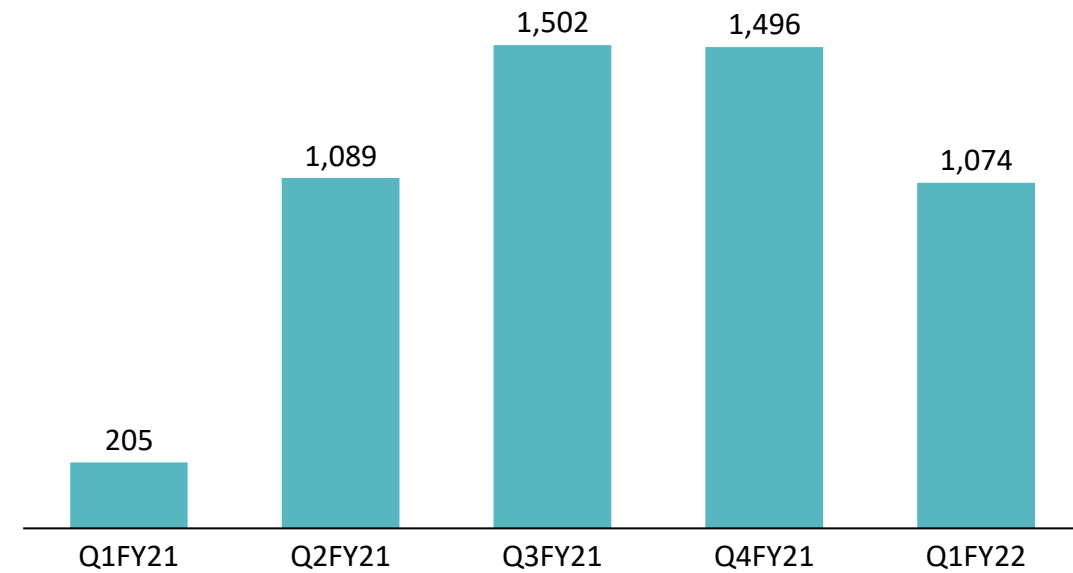


Tie-up with India's Leading commercial airline

Revenue (Rs. Crores)



Tonnage handled (MT)



E-Commerce Logistics



One of the India's first **integrated e-Commerce logistics solutions** provider



Expertise in **last-mile** deliveries



Services to cover the needs of both, individuals and enterprises



Value-added service 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 update



Fulfilment centers - Shared and dedicated

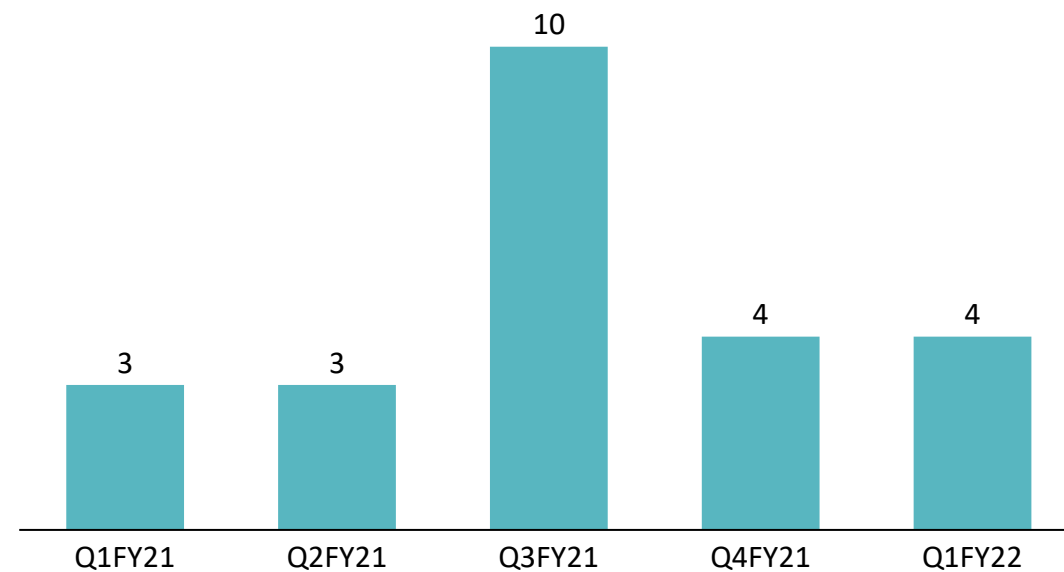


Unparalleled reach to over 19,800 pin-codes

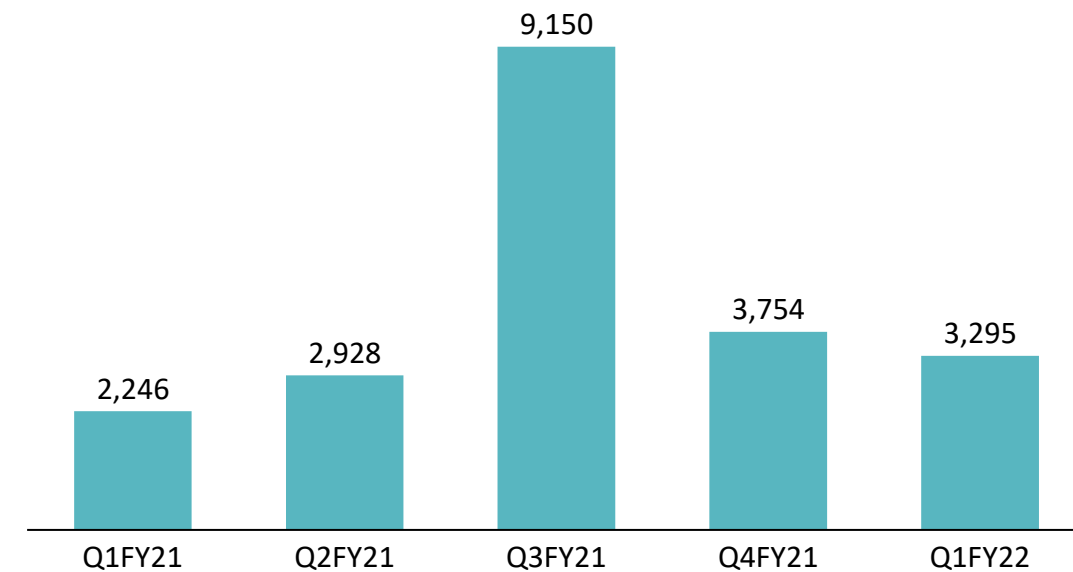


24x7 support

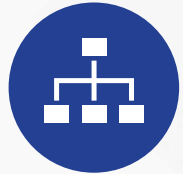
Revenue (Rs. Crores)



Tonnage handled (MT)



Supply Chain Management Solutions



Seamless management of the customers' entire supply chain



Value-added Services for greater convenience for the customer



Strong infrastructure with support that offers: **Shop Floor automation, Material Handling, tech enabled warehousing and Ranking & conveyor belts**



Best-in-class Warehouse Management System



Integrated Warehousing and Distribution



Option of order and inventory-based models

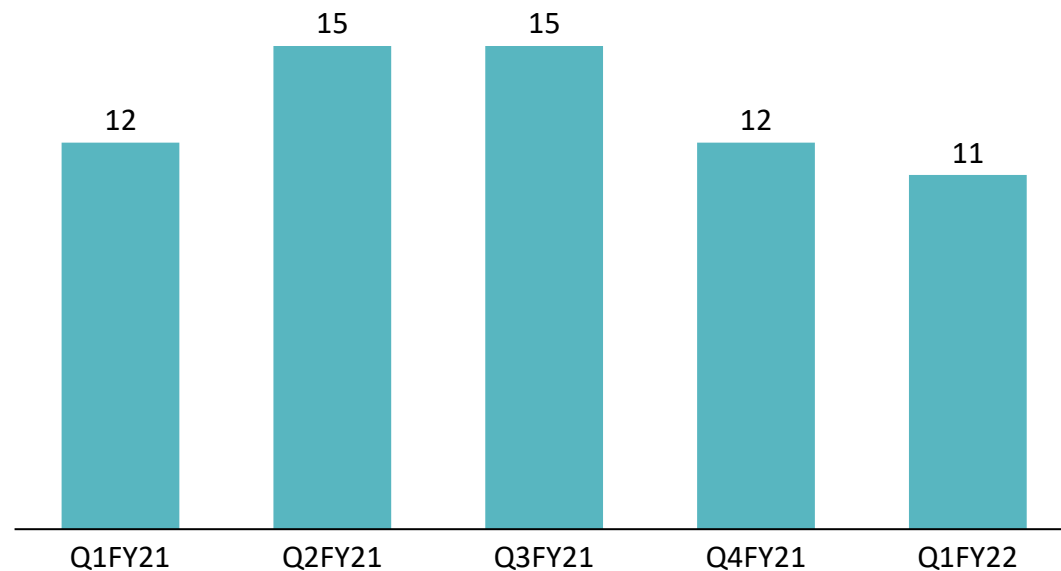


Inventory and purchase order management

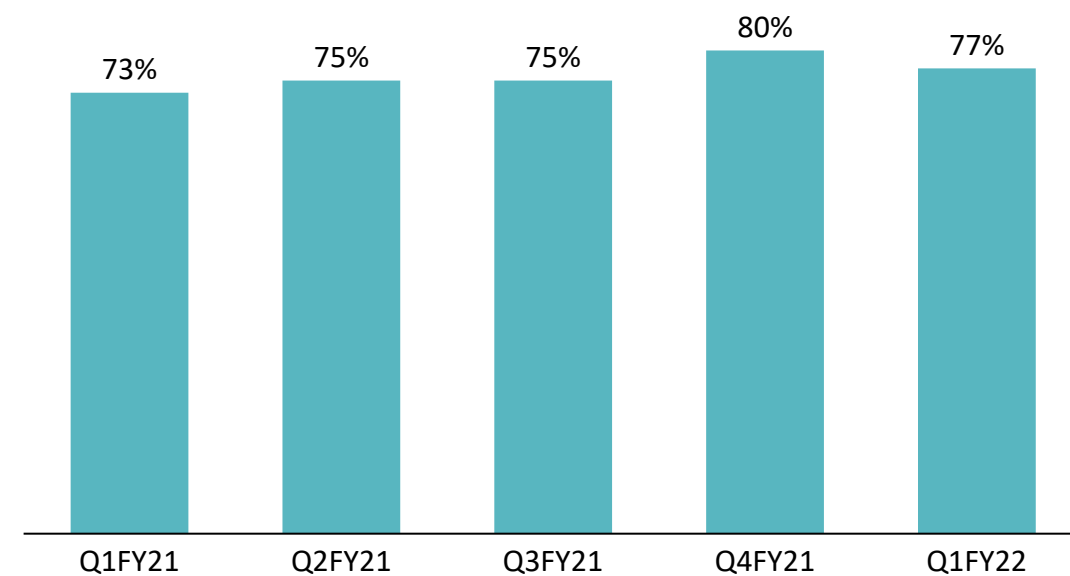


Customized solutions for multiple industries

Revenue (Rs. Crores)

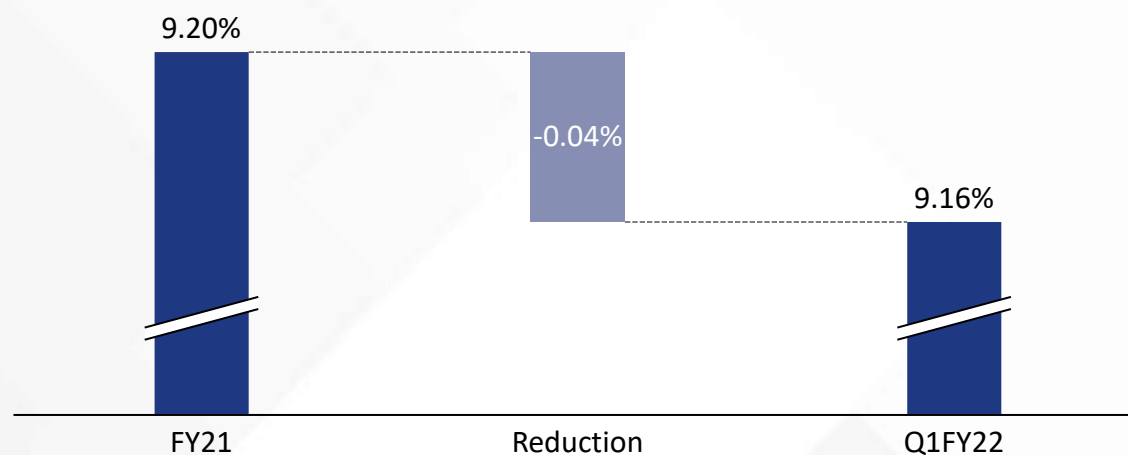


Utilization (%)

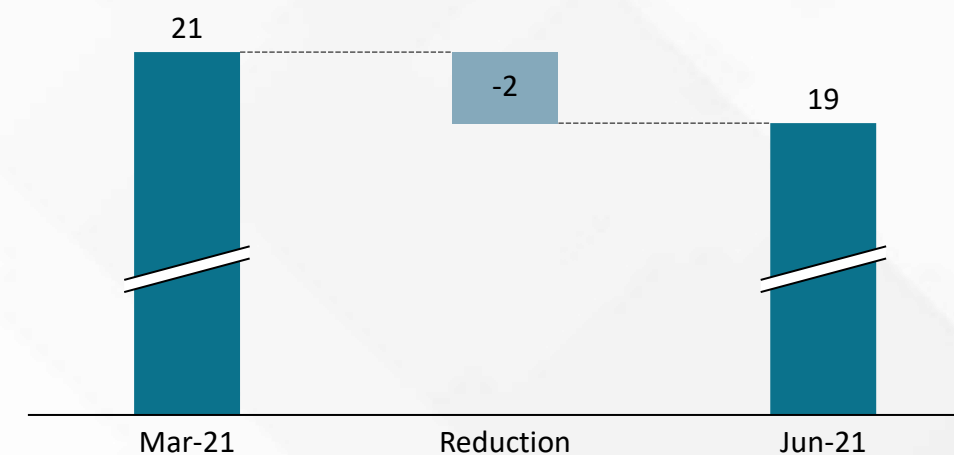




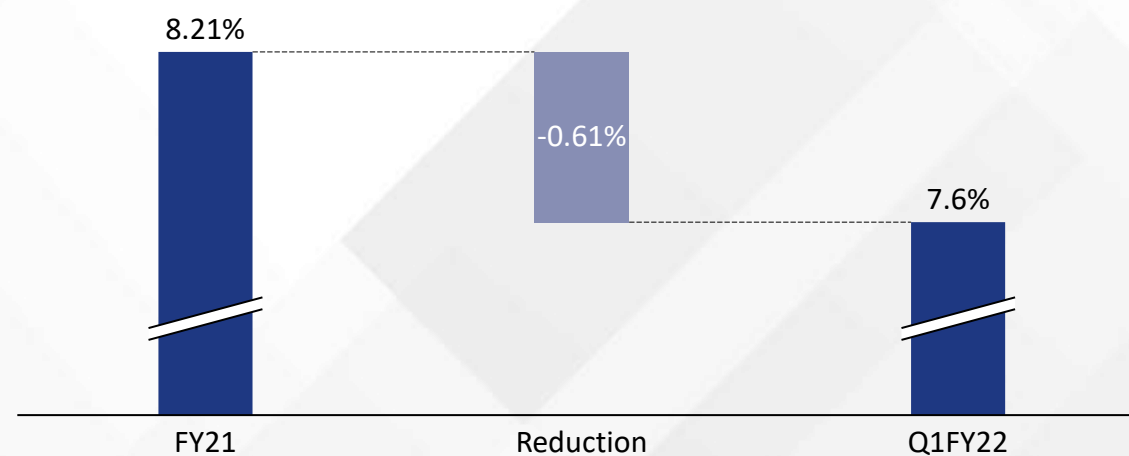
Average Cost of Funds



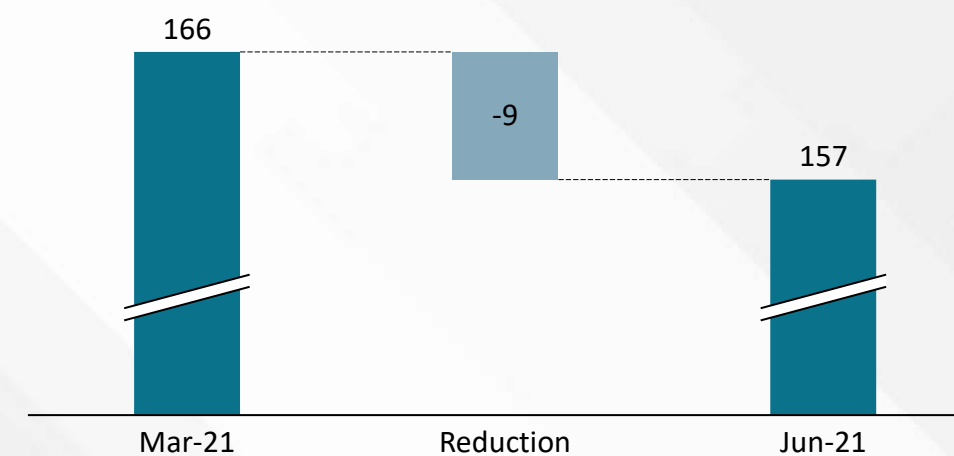
Debt Repayment (Rs. Crores)



Average Cost of Funds



Debt Repayment (Rs. Crores)



Project Avvashya – Redefining Gati



Pillars of Transformation

Process

Result till date

Sales Acceleration

Accelerating Sales growth, especially in retail and KEA



- HOZO Workshops for sales acceleration kicked off ; West / South / North zones completed (SME / KEA NBD)
- E-Commerce – MoM growth of 89% driven by volumes increase from major ecom companies. Accelerated addition of new customers during the quarter

Operational Excellence

Building Capacity and becoming asset light



- Line Haul tool & process for vehicle selection and rate negotiation finalized and implemented
- Tool and process for franchisee commercial finalization & monetary support has been finalized and is being implemented for franchisee onboarding; 11 Franchisees finalized – 5 approved

Technology & Processes

Setting digital strategy roadmap and critical decision on CRM



- Salesforce go live for sales and service modules including contact center by Oct 2021
- Payment gateway for digitizing cash collections rolled out in last week of May
- Customer portal (website , mobile app) project to be taken up for implementation

Talent and Organization

Revised organization sizing, new structure, for key functions and talent infusion



- Organization resizing target achieved within targeted period
- Selection and implementation of new HRMS – DarwinBox – for improved processes and efficiency in HR function

Overhead & Finance

Optimizing Fixed costs, budgeting processes and improved order-to-cash cycle control



- Chennai, Kolkata and Ahmedabad identified as the next locations for Solar panel implementation – to be completed by Nov 2021
- Rationalization of distribution space - 4 GDW locations finalized with cumulative reduction of INR 1.4 Cr.

Consolidated Profit & Loss



Particulars (Rs. Crores)	Q1FY22 [^]	Q1FY21 [^]	Y-o-Y	Q4FY21 [^]	Q-o-Q	FY21 [^]	FY20 ^{**}	FY19 ^{**}
Revenue from Operations	290	158		398		1,283	1,712	1,863
Other Income	1	5		2		10	13	16
Total Revenue	291	163	78.7%	400	-27.1%	1293	1,725	1,879
Direct Overheads	223	118		298		966	1,323	1,427
Gross Margin	69	45	53.8%	101	-32.1%	328	402	452
Gross Margin (%)	23.6%	27.4%		25.4%		25.3%	23.3%	24.1%
Employee Expenses	35	33		48		159	188	186
Other Expenses	32	34		44		134	164	156
EBITDA	1	-22	NM	10	-87.3%	35	50	110
EBITDA Margin (%)	0.4%	-13.5%		2.4%		2.7%	2.9%	5.9%
Depreciation	7	8		9		33	44	30
EBIT	-6	-30	NM	1	NM	1	6	80
Finance Cost	5	10		7		33	54	45
Pre-Exceptional PBT	-11	-40		-6		-31	-48	35
Exceptional Items*	13	-		173		205	0	0
Post Exceptional PBT	-24	-40	NM	-179	NM	-236	-48	35
Tax	-2	-8		-10		-7	36	12
Profit After Tax	-21	-32	NM	-169	NM	-229	-84	23

*Exception item of Rs 13.05 Crores represents obligation towards the severance fees payable to subsidiary company "Gati Kausar India limited"

** Reported; [^] - Adjusted

Consolidated Balance Sheet



ASSETS (Rs. Crores)	FY21*	FY20*	FY19*
Non-current assets	764	1,149	1,112
Property, Plant and Equipment	144	523	567
Capital work-in-progress	0	0	5
Right to Use	73	85	0
Intangible Assets	6	4	3
Intangible Assets Under Development	0	2	0
Goodwill	426	426	426
Financial Assets			
(i) Investments	0	0	2
(ii) Loans	5	6	12
Deferred Tax Assets(net)	24	6	4
Non Current tax assets (net)	83	96	71
Other non-current assets	3	3	22
Current assets	473	444	377
Inventories	4	10	12
Financial Assets			
(i) Investments	0	78	0
(ii) Trade receivables	195	205	239
(iii) Cash and cash equivalents	42	34	17
(iv) Bank balances other than (iii)	14	15	30
(v) Loans	20	21	12
(vi) Other Financial Assets	2	29	33
Other Current Assets	35	23	32
Assets held for sale	160	30	2
TOTAL	1,237	1,594	1,490

EQUITY AND LIABILITIES (Rs. Crores)	FY21*	FY20*	FY19*
EQUITY	610	847	846
Equity Share Capital	24	24	22
Other Equity	585	822	825
Non-Current Liabilities	98	175	184
Financial Liabilities			
(i) Borrowings	26	97	169
(ii) Other Financial Liabilities	0	1	7
(iii) Lease Liability	60	69	0
Provisions	11	8	8
Current liabilities	530	572	459
Financial Liabilities			
(i) Borrowings	145	154	114
(ii) Trade Payables	89	116	149
(iii) Lease Liability	11	10	0
(iv) Other Financial Liabilities	206	222	160
Other Current Liabilities	51	32	35
Provisions	4	2	2
Current tax liabilities (net)	23	36	0
TOTAL	1,237	1,594	1,490

* - Reported

Consolidated Cash Flow Statement



Cash Flow Statement for the year ended (Rs. Crores)	FY21*	FY20*	FY19*
PBT	-253	-48	35
Adjustments	298	108	67
Operating profit before working capital changes	45	59	103
Changes in working capital	12	-4	20
Cash generated from operations	57	55	122
Direct taxes paid (net of refund)	-8	-27	-24
Net Cash from Operating Activities	49	28	99
Net Cash from Investing Activities	135	-83	-42
Net Cash from Financing Activities	-173	71	-58
Net Change in cash and cash equivalents	10	16	-2
Opening Cash Balance	34	17	19
Closing Cash Balance	44	34	17

* - Reported

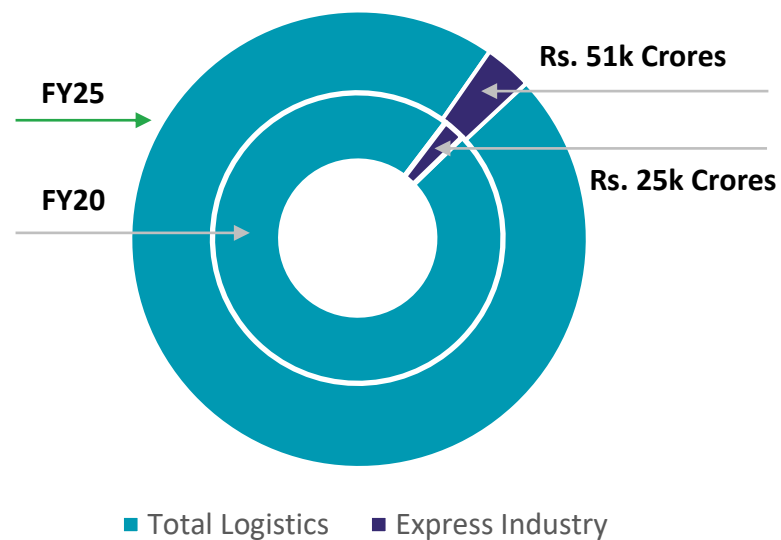
Industry with limitless opportunities

fastest growing segment in the industry

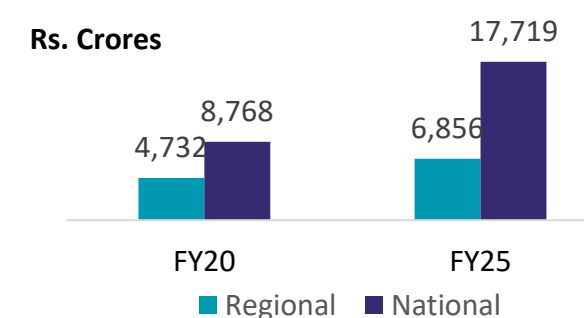
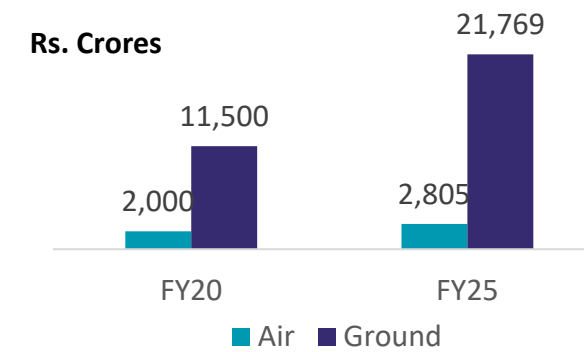
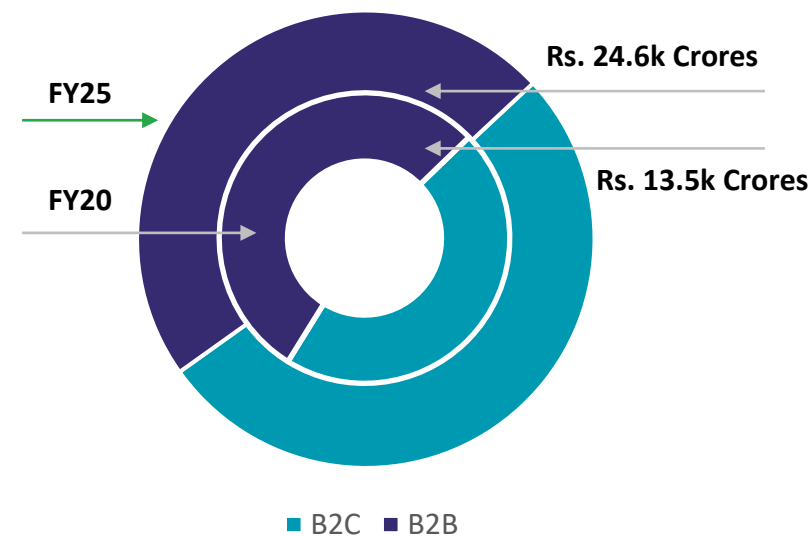


Surface + Air + Ecommerce + Contract Logistics
Total Available Market is ~Rs 52,500 Crores

Niche Contribution in Logistics Industry



Accelerated growth Opportunities



Short Term
ACHIEVED

Medium Term
**Launchpad
FY21**

Long Term

- Maintained market share in FY21
- Grow > Market + Improve margins based on Q4FY21
- Market Leadership Opportunity Potential

Management speak

Express contributes 2.5% (approx.) to Indian Logistics Sector. Logistics sector poised to grow 10-12% CAGR by 2025, mere 100 bps market share could double market opportunity for Express Industry

Market share gains in growing industry

National players would grow at a faster pace of ~20% CAGR compared to regional players. Exciting growth in B2C segment however profitable growth remain would remain key focus

*Source: Various industry reports and Management estimates

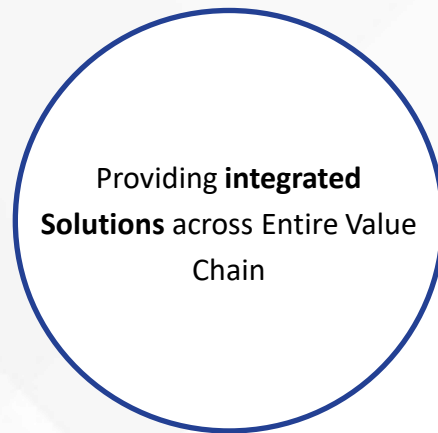
Integrated service offerings

Unified end-to-end solutions



Global Presence Local Network Leadership*

Integrated Solutions



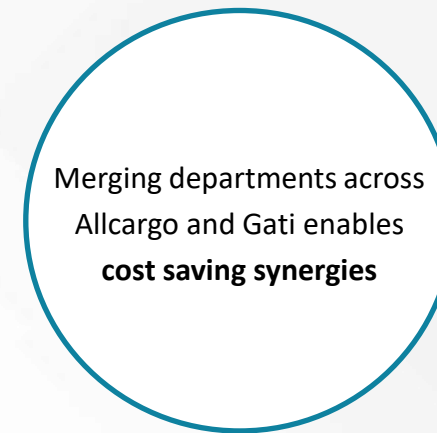
Basket of Offerings



Increased Reach



Cost Side benefits



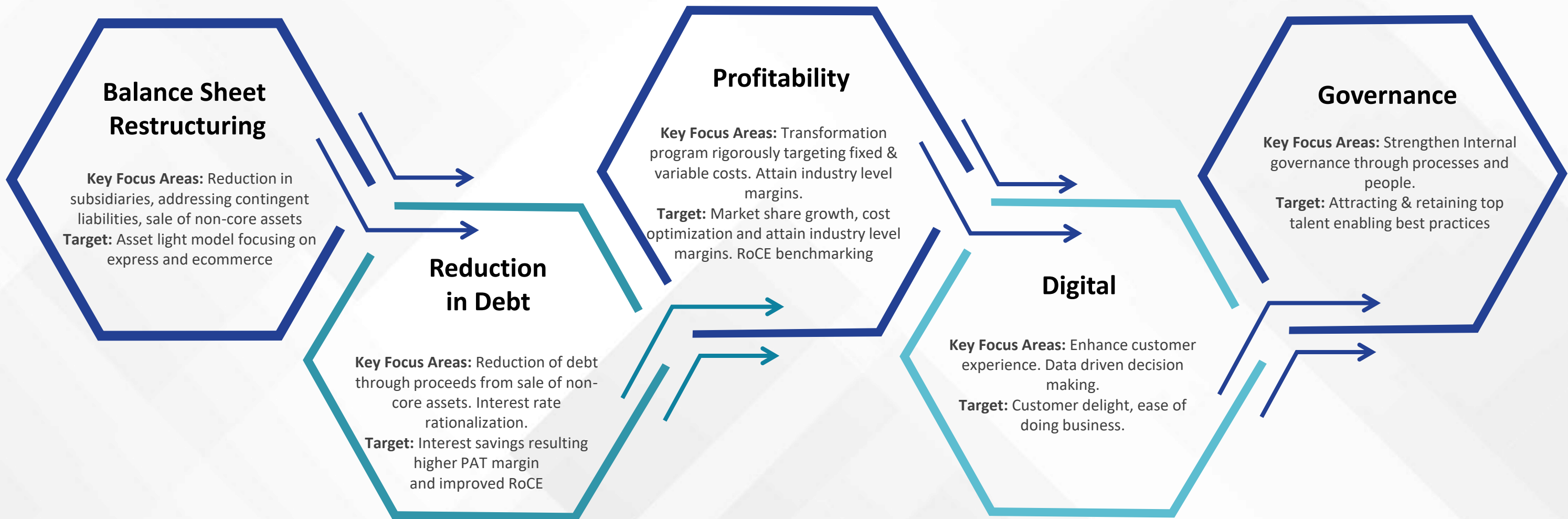
Now GATI with Allcargo can offer end to end value chain services in a single rate/contract



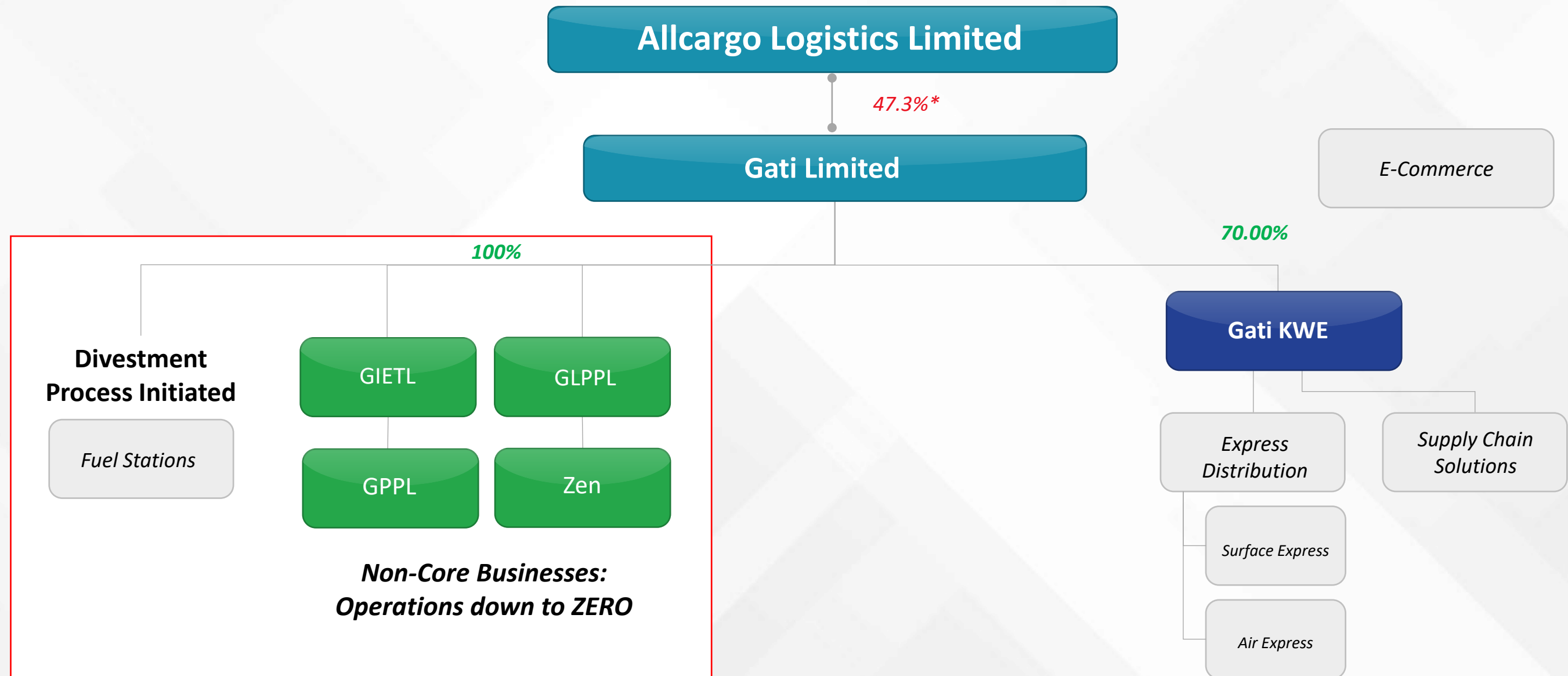
*Gati covers 99% of the GOI approved Pincodes

Poised for Growth through Transformation

foundation for sustainable growth



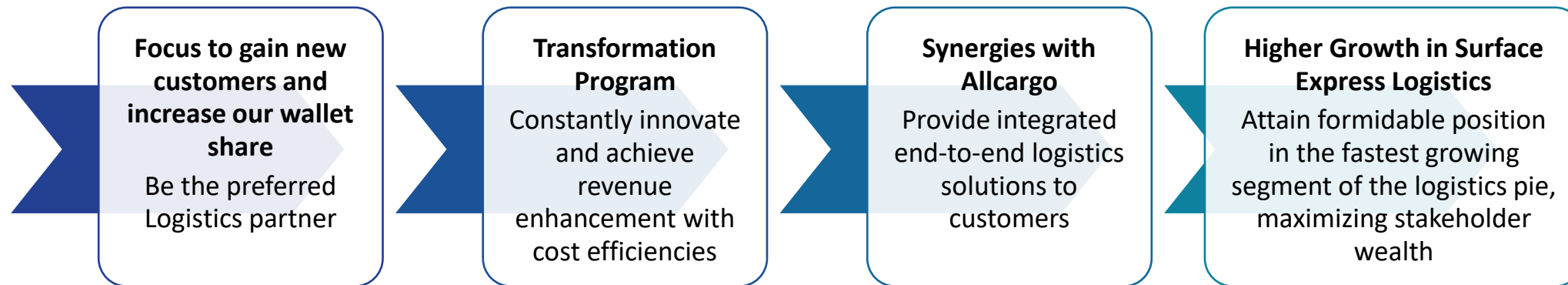
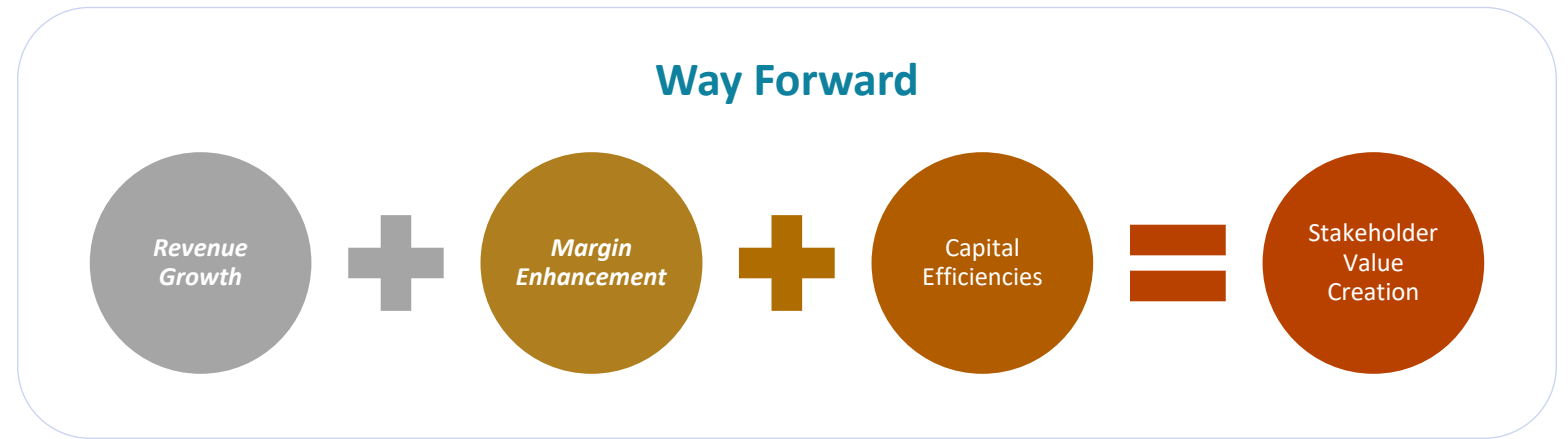
Re-alignment of Corporate Structure



Opportunities & Aspirations



Particulars	Opportunities
Revenue CAGR	Higher Revenue CAGR through various initiatives
Gross Margin	Enhance margins through increased productivity
EBIDTA CAGR	Drive Cost Optimization
EBIDTA Margin	
PAT CAGR	Asset light, low debt strategy would lead to higher EBITDA to PAT conversion
PAT Margin	
ROCE (%)	Capital Efficiencies through higher profitability
ROE (%)	



The growth stage is typically characterized by a strong growth in sales and profits, and restructuring of Balance sheet will benefit the company at large and reap fruits of market share gain

Thank You



an allcargo company

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