



November 10, 2020

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. Tel: 022 - 2272 1233 / 34 Fax: 022 - 2272 2131 / 1072/ 2037 / 2061 / 41  <b>Scrip Code:</b> 532345 <b>ISIN No.:</b> <u>INE152B01027</u> <b>Re.:</b> <u>Gati Limited</u>	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Tel: 022 - 2659 8235 / 36 / 452 Fax: 022 - 2659 8237/ 38  <b>Symbol :</b> GATI <b>ISIN No.:</b> <u>INE152B01027</u> <b>Re.:</b> <u>Gati Limited</u>
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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 and half year ended September 30, 2020.

The aforesaid Investor Presentation will also be uploaded on the website of the Company i.e. [www.gati.com](http://www.gati.com).

We request you to take the same on record.

Thanking you,

Yours faithfully,  
For **Gati Limited**



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

**Encl.:** As above

**Corporate & Regd. Office: Gati Limited**

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

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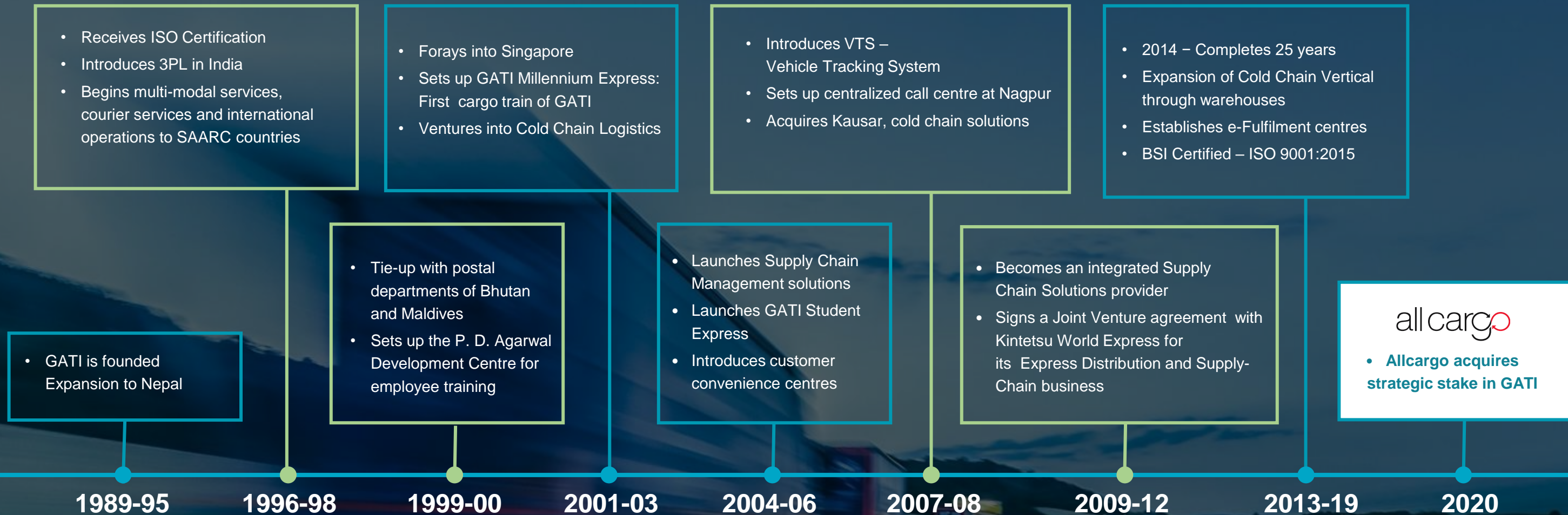


*An Allcargo Company*

# India's Premier Express Logistics Company

Investor Presentation – November 2020

# The GATI Story



Revenue 1800 Crore | Delivering 7 Million+ Packages a Month



## End-to-End services for diverse needs

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Express  
Distribution



Warehousing  
Solutions



E-Commerce  
Logistics



Managed Value  
Added Transportation  
Systems (MVATS)



Freight  
Forwarding



Cold Chain  
Solutions

# Wider Service Offerings

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Providing **Integrated Solutions** across Entire Value Chain

**INTEGRATED SOLUTIONS**

Provide **Basket of Offerings** to existing clients thus increase wallet-share

**BASKET OF OFFERINGS**

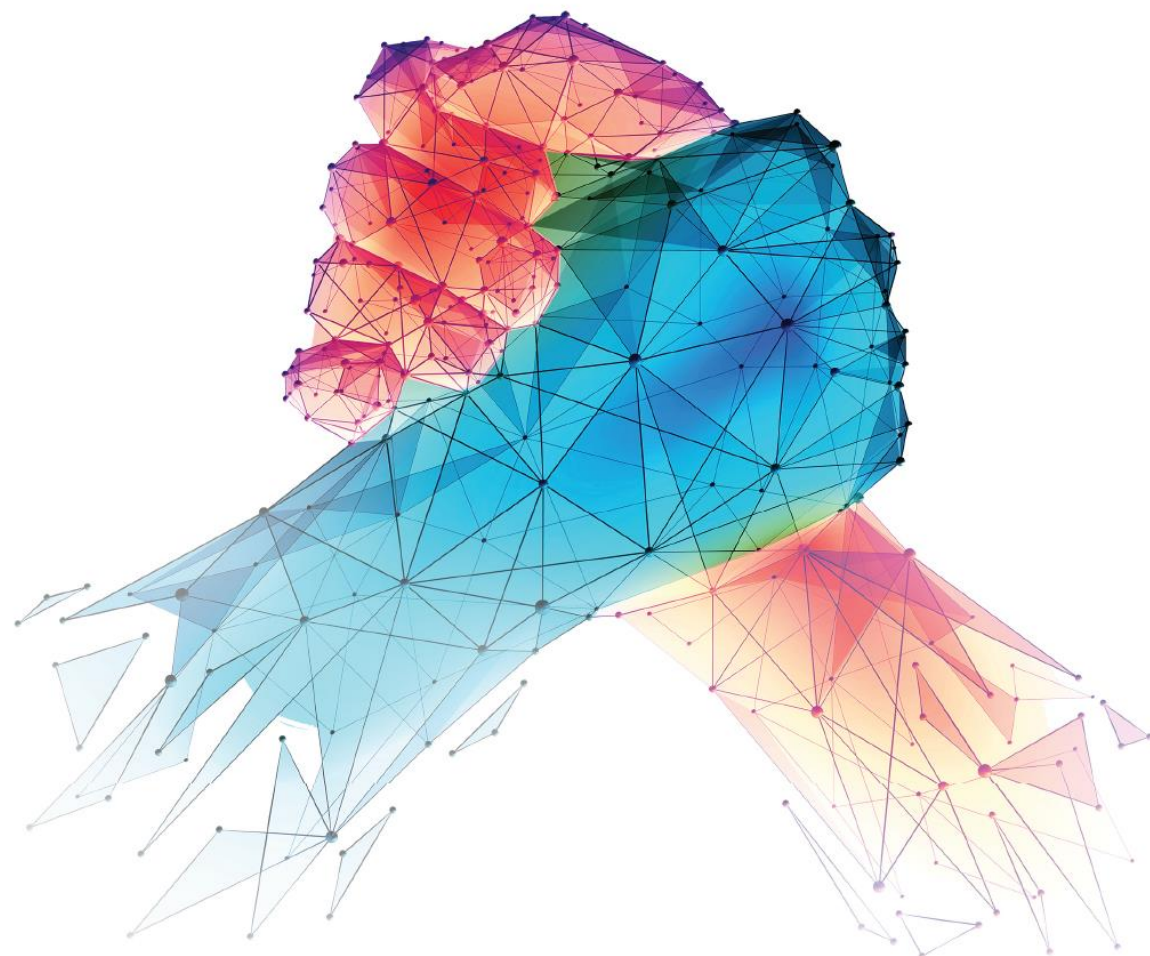
Expand reach/network in domestic as well internationally with the help of established network of **Allcargo**

**INCREASED REACH**

Merging departments across **Allcargo** and **Gati** enables cost saving synergies

**COST BENEFITS**

## Combining Global Expertise with Domestic Experience



- Over 25 years of experience
- End-to-End solutions tailored to meet every logistics need across industries
- Among the top 20 global freight forwarders with over 300 offices in more than 160 countries
- Trusted by some of the world's leading organisations
- Best in class technology with ECU360 for faster & better exchange of information in real time without human intervention

**ECU360**  
SHIP WITH A CLICK

all cargo



**A partnership that brings you  
the powers of two leaders**

# Adding combined strengths to global supply chains

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## Allcargo Advantages

- The world's largest LCL network
- A global pool of experienced specialists
- Local expertise to handle customs and compliance
- HUBS at all major locations across the globe
- Large volumes leading to preferential freight rates with shipping lines
- Global network leveraged to serve tradelines that reduce transshipment cost and time



## GATI Advantages

- 19 Express distribution centers and 84 distribution warehouses
- More than 5000 vehicles across the country
- Wide network and an optimized route planning system
- 24x7x365 service level monitoring system for safe, secure and on-time deliveries
- Nationwide presence across more than 19,000 PIN codes

# Combined with Global Solutions

all cargo



## **NVOCC**

LCL and FCL solutions across the world



## **CFS**

India's widest CFS network



## **Contract Logistics**

Over 69 Grade A warehouses Pan-India



## **E-Commerce Logistics**

Speed, Accuracy and Scalability for E-Commerce Logistics



## **Projects Logistics**

Customised solutions designed for project at most difficult terrains



## **Logistics Parks**

State-of-the-art logistics parks



## **Air Freight and ILS**

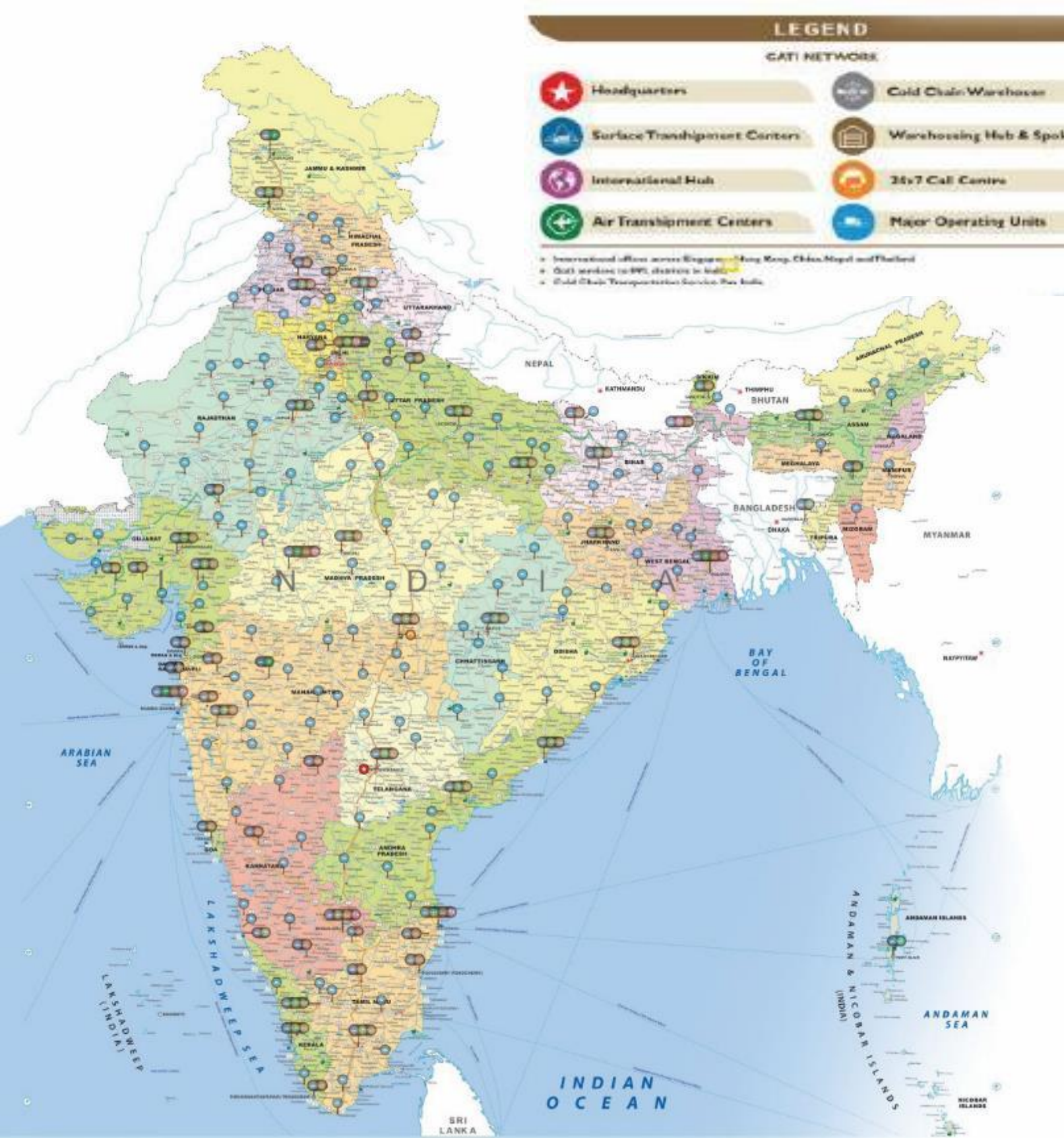
Smooth and reliable end-to-end cargo movement



## **Crane Rentals**

Lifting solutions enabled with state-of-the-art cranes





# An Unparalleled Reach across India

- Pan-India presence gives us the ability to move cargo to every corner of the country.
- **735** of India's **739** districts and **19,800** PIN Codes covered
- Over **600 offices** across India
- Access to a global network of over **300 offices** in more than **160 countries** as an Allcargo Company



# Our Services











# Express Distribution

- Complete range of Express Distribution Services
- Multi-modal delivery to 99% of the country's districts
- Provision to move time-sensitive parcels, freight or special cargo

<b>Express Plus</b> <b>Faster delivery</b>	<b>Express</b> <b>Cost-effective</b> surface cargo movement	<b>Premium Plus</b> Delivery within <b>12 hours</b> or before noon the next day	<b>Premium</b> Delivery within <b>24 hours, 48</b> <b>hours and more</b> <b>than 48 hours</b>
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## The GATI Express Distribution Advantage

 <p>Customised end-to-end logistics solutions</p>	 <p>Unparalleled reach to over 99% of India's districts</p>	 <p>State-of-the-art tracking services</p>	 <p>Quick and trusted claim process</p>
 <p>Over 5,000 trucks and rail services</p>	 <p>Over 600 offices</p>	 <p>Reverse logistics expertise</p>	 <p>Guaranteed on-time deliveries</p>



# 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	World-class material handling	Racking and conveyor belts	Tech-enabled Warehousing solutions
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## The GATI Supply Chain 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

- India's first integrated e-Commerce logistics solutions provider
- Expertise in last-mile deliveries
- Services to cover the needs of both, individuals and enterprises

## The GATI E-Commerce Logistics Advantage



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



# Cold Chain Solutions

- India's longest established cold chain service provider – Gati Kausar – with 31 years of experience
- Temperature-sensitive shipments for consumer foods, pharmaceuticals, retail and agricultural goods
- Fleet of over 200+ refrigerated vehicles – ensuring 'Zero missed deliveries'

## The GATI Cold Chain Solutions Advantage



Integrated customised cold chain solutions



Warehouse to location deliveries within 24 hrs.



Stringent adherence to ISO22000 standards



Real-time temperature monitoring and alerts



Isolated pharma zones and restaurant inventory management



In-city vehicles for faster deliveries



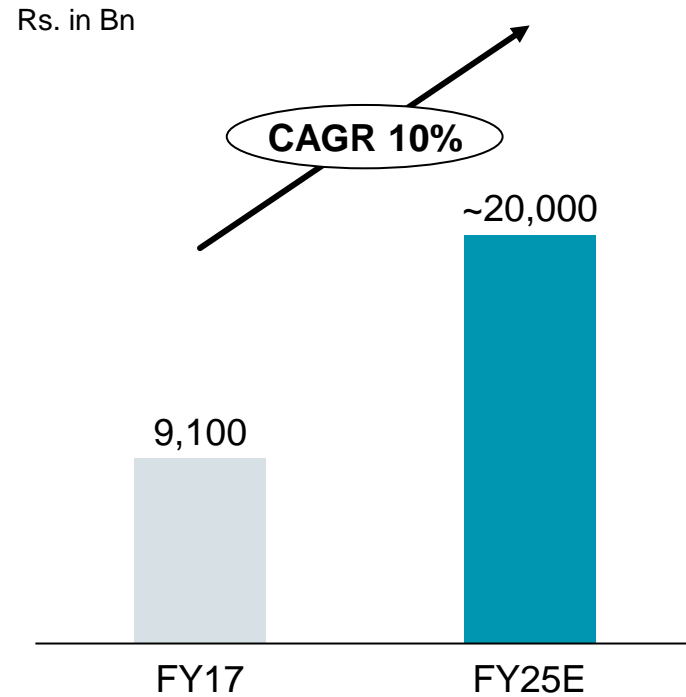
# Special services for special needs

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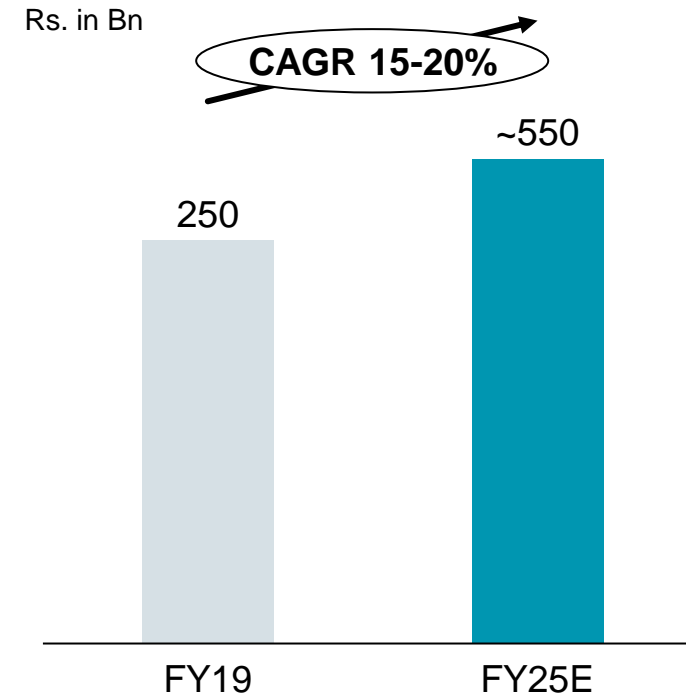
- **Premium Flexilite**  
Air shipments for cargo up to 5kg
- **Laabh**  
Surface deliveries for cargo up to 20kg
- **Desk-to-desk cargo**  
Surface deliveries of cargo up to 5kg
- **Art Express**  
Special services for moving priceless art
- **Student Express**  
Special services with special discounts for students
- **Bike Express**  
Service dedicated for the movement of bikes

# Industry Outlook

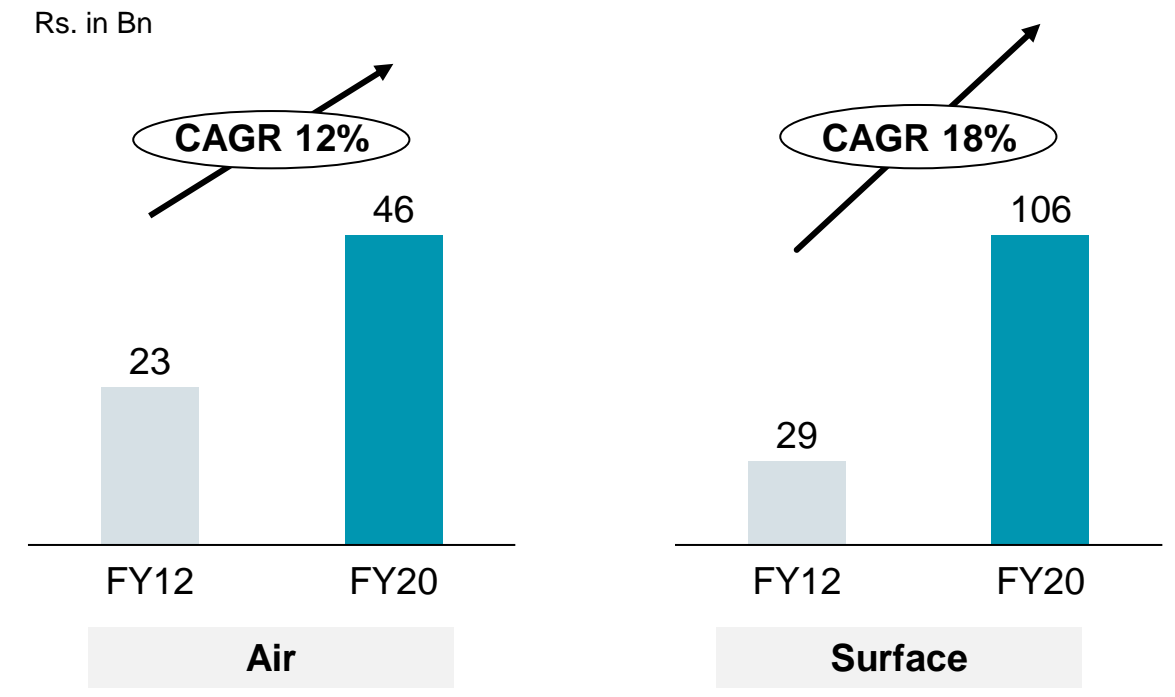
## Logistics Market Size



## Express Logistics



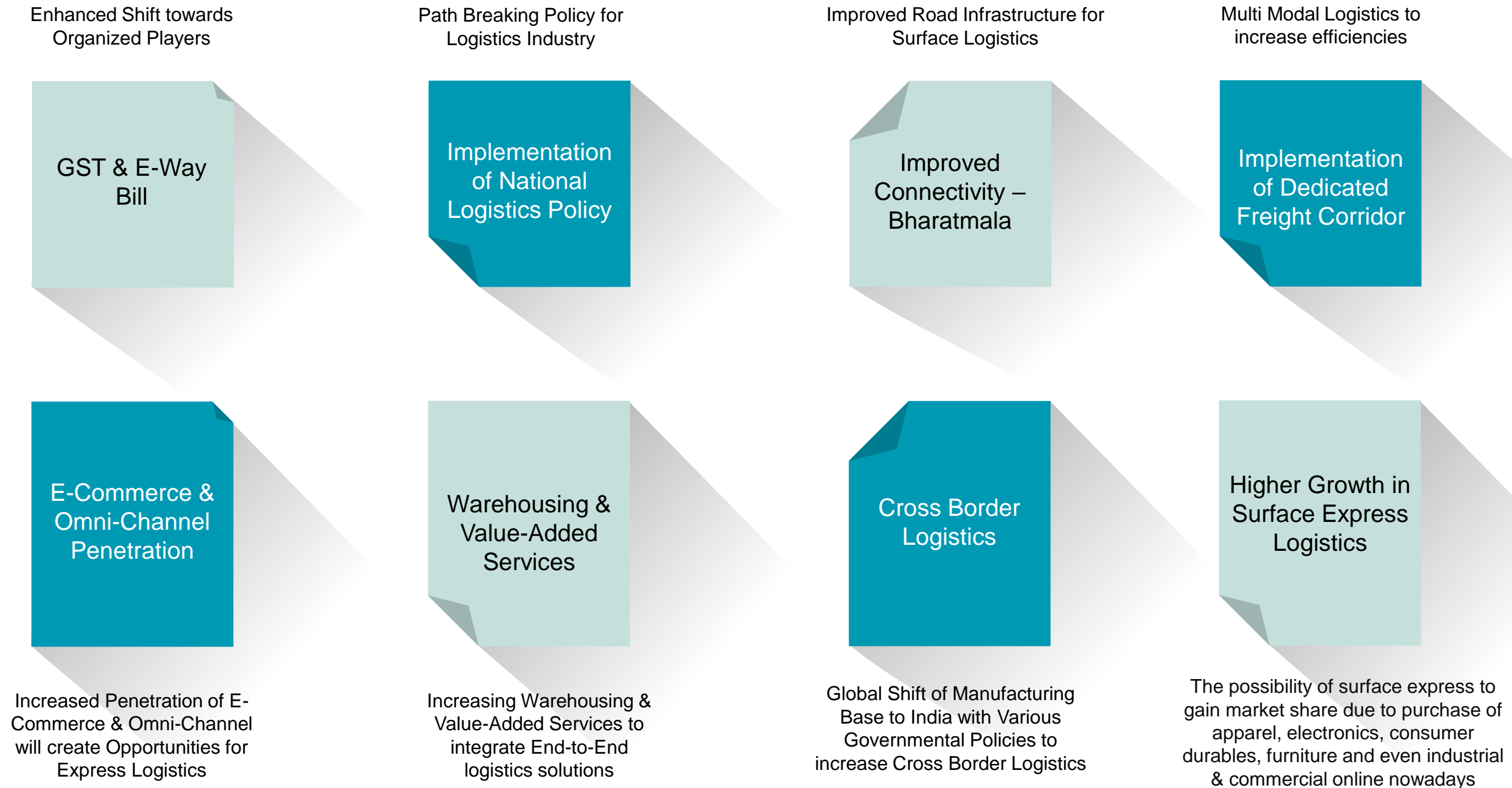
## Express Logistics Mode



- The express logistics segment which is currently at **~Rs.250 bn** is expected to grow at **15-20%** on the back of rising e-commerce business and demand from manufacturing segment
- Online retailers are competing on both price and shorter delivery cycles, creating opportunities for express logistics services and a host of value-added services. The online segment also has a stronger need for efficient reverse logistics and network reach, efficient sourcing, and standard packaging practices to facilitate easy and secure shipping, ability to service a high number of stock-keeping units (SKUs), and multiple modes of payment collection
- The logistics industry in India is highly fragmented with a large number of unorganized players. Only **~10 per cent** of the market is owned by organized players.



# Industry Growth Catalyst & Way Forward



# Growth Aspirations & Targets

Logistics Industry is expected to grow at a CAGR of ~10% & within logistics, express logistics is expected to grow at a CAGR of 15-20%, We aspire to **Outnumber the Industry Growth** on a long-term basis

Particulars	FY03 – FY10	FY11 – FY15	FY16-FY20	FY21-FY25
Revenue CAGR	13.3%	6.5%	0.5%	Outperform Industry
Gross Margin	32.7%	27.1%	25.9%	Enhance margins through increased productivity
EBIDTA CAGR	22.6%	8.8%	-19.2%	Drive Synergies & Cost Optimization
EBIDTA Margin	9.2%	9.5%	6.4%	
PAT CAGR	17.7%	32.0%	-211.3%	Increased margins to flow into profitability
PAT Margin	2.6%	2.3%	0.5%	
ROCE (%)	8.7%	7.3%	6.9%	Capital Efficiencies through higher profitability & better Working Capital Management
ROE (%)	12.9%	5.9%	2.2%	

## Way Forward

Revenue Growth **+** Margin Enhancement **+** Capital Efficiencies **=** *Value Creation*

## Growth Drivers & Way Forward



**Regain Leadership Position**

Make the customer experience limitless possibilities of Supply chain by leveraging the combined understanding of logistics thereby offer Customers, a tailor made solution



**Build on Operating Efficiencies**

To build on operating efficiencies through continuous improvements in operating parameters, sharper focus on Customer offerings and servicing



**Drive Synergies**

Improve business parameters by driving synergy programs and Technology integration with Allcargo thereby addressing market with integrated solution approach



**Leverage Global Network**

Leverage the Domestic network and service capabilities of Gati with the Global network of Allcargo and scale up business



**Cost Optimization**

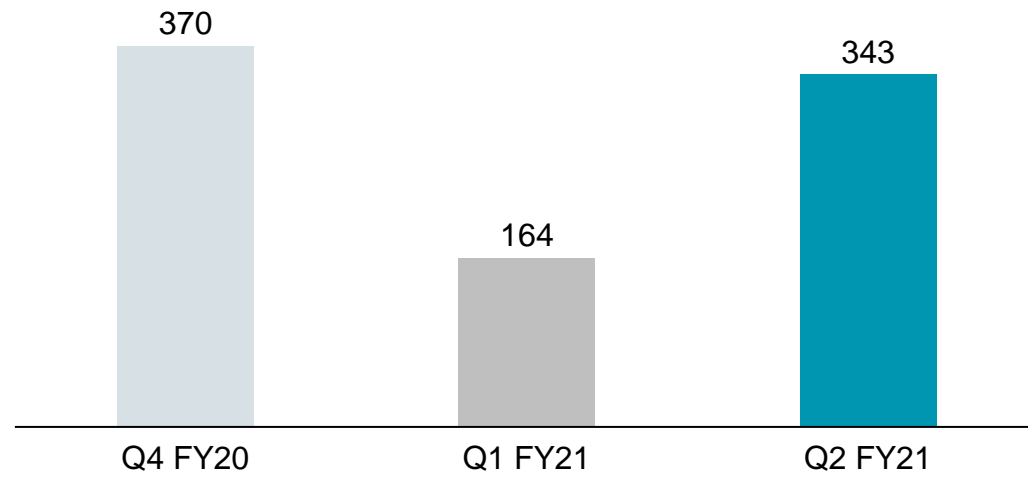
Cost optimization by integrating cost centres & reducing manpower cost & other overheads

# **HISTORICAL FINANCIALS**

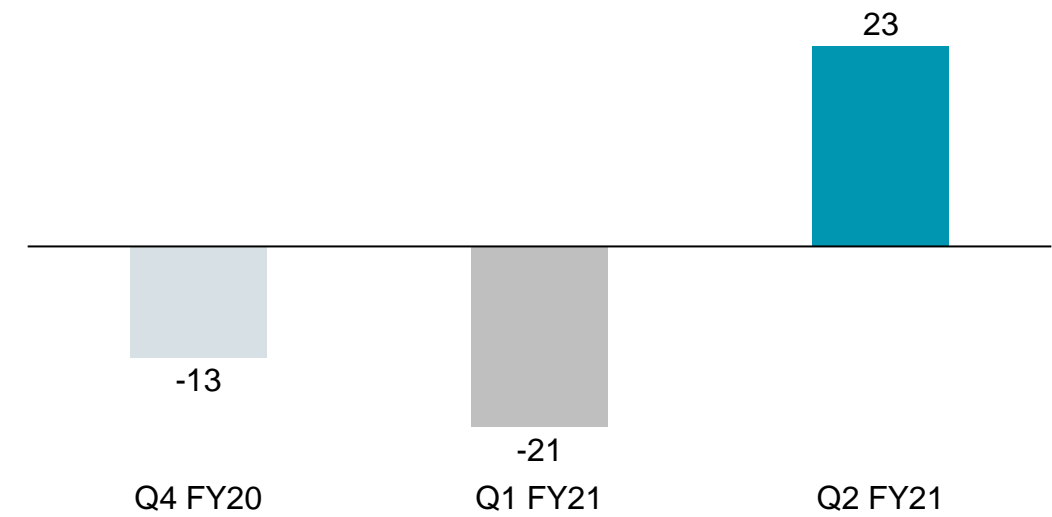
# Consolidated Performance – Momentum Picking-up



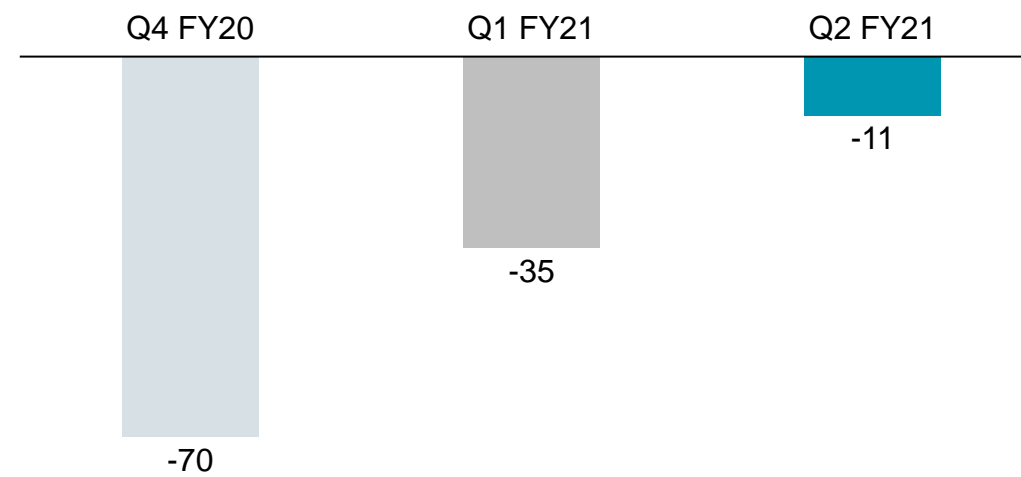
Revenue (Rs. Crores)



EBITDA (Rs. Crores)



PAT (Rs. Crores)



# Quarterly Consolidated Profit & Loss



Particulars (Rs. Crores)	Q2FY21	Q2FY20	Q1FY21	H1 FY21	H1 FY20
Revenue from Operations	343	440	164	507	898
Other Income	3	1	5	8	4
<b>Total Revenue</b>	<b>345</b>	<b>441</b>	<b>169</b>	<b>515</b>	<b>902</b>
Operating Expenses	195	248	82	277	501
Purchase of Stock In Trade	63	95	39	103	188
Change in Inventories	2	0	2	3	3
<b>Total Overheads</b>	<b>260</b>	<b>343</b>	<b>123</b>	<b>383</b>	<b>692</b>
<b>Gross Margin</b>	<b>85</b>	<b>98</b>	<b>46</b>	<b>132</b>	<b>210</b>
<b>Gross Margin (%)</b>	<b>24.8%</b>	<b>22.2%</b>	<b>27.2%</b>	<b>25.7%</b>	<b>23.3%</b>
Employee Expenses	36	47	34	70	95
Other Expenses	26	32	34	60	72
<b>EBITDA</b>	<b>23</b>	<b>19</b>	<b>-22</b>	<b>2</b>	<b>43</b>
<b>EBITDA Margin (%)</b>	<b>6.8%</b>	<b>4.4%</b>	<b>NM</b>	<b>0.5%</b>	<b>4.8%</b>
Depreciation	10	13	10	20	21
<b>EBIT</b>	<b>14</b>	<b>7</b>	<b>-32</b>	<b>-18</b>	<b>23</b>
<b>EBIT Margin (%)</b>	<b>3.9%</b>	<b>1.5%</b>	<b>NM</b>	<b>NM</b>	<b>2.5%</b>
Finance Cost	12	15	12	24	26
Exceptional Items	11	-	-	11	-
<b>Profit before Tax</b>	<b>-9</b>	<b>-9</b>	<b>-44</b>	<b>-53</b>	<b>-4</b>
<b>Profit before Tax(%)</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>
Tax	1	2	-8	-7	5
<b>Profit After Tax</b>	<b>-11</b>	<b>-11</b>	<b>-35</b>	<b>-46</b>	<b>-9</b>
<b>PAT Margin (%)</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>	<b>NM</b>
EPS (As per Profit after Tax)	-0.92	1.02	-2.21	-3.12	0.95

# Consolidated Balance Sheet



Particulars (Rs. Crores)	H1 FY21	FY20
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>1,129</b>	<b>1,149</b>
Property, Plant and Equipment	511	523
Capital work-in-progress	0	0
Right to Use	77	85
Intangible Assets	4	4
Intangible Assets Under Development	3	2
Goodwill	426	426
<b>Financial Assets</b>		
(i) Investments	0	0
(ii) Loans	5	6
Deferred Tax Assets(net)	13	6
Non Current tax assets (net)	88	96
Other non-current assets	3	3
<b>Current assets</b>	<b>327</b>	<b>444</b>
Inventories	4	10
<b>Financial Assets</b>		
(i) Investments	0	78
(ii) Trade receivables	167	205
(iii) Cash and cash equivalents	38	34
(iv) Bank balances other than (iii)	11	15
(v) Loans	22	21
(vi) Other Financial Assets	27	29
Other Current Assets	28	23
Assets held for sale	30	30
<b>TOTAL</b>	<b>1,456</b>	<b>1,594</b>

Particulars (Rs. Crs.)	H1 FY21	FY20
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>	<b>811</b>	<b>847</b>
Equity Share Capital	24	24
Other Equity	787	822
<b>Non-Current Liabilities</b>	<b>123</b>	<b>175</b>
Financial Liabilities		
(i) Borrowings	50	97
(ii) Other Financial Liabilities	1	1
(iii) Lease Liability	63	69
Provisions	9	8
<b>Current liabilities</b>	<b>522</b>	<b>572</b>
Financial Liabilities		
(i) Borrowings	132	154
(ii) Trade Payables	89	116
(iii) Lease Liability	10	10
(iv) Other Financial Liabilities	211	222
Other Current Liabilities	42	32
Provisions	2	2
Current tax liabilities (net)	36	36
<b>TOTAL</b>	<b>1456</b>	<b>1,594</b>

# Consolidated Cash Flow Statement



Cash Flow Statement for the year ended (Rs in Crs)	Sep-20	Sep-19	Mar-20
<b>PBT</b>	<b>-53</b>	<b>-4</b>	<b>-48</b>
Adjustments	56	46	108
<b>Operating profit before working capital changes</b>	<b>3</b>	<b>42</b>	<b>59</b>
Changes in working capital	26	-9	-4
<b>Cash generated from operations</b>	<b>29</b>	<b>34</b>	<b>55</b>
Direct taxes paid (net of refund)	11	-13	-27
<b>Net Cash from Operating Activities</b>	<b>40</b>	<b>21</b>	<b>28</b>
<b>Net Cash from Investing Activities</b>	<b>81</b>	<b>-30</b>	<b>-83</b>
<b>Net Cash from Financing Activities</b>	<b>-117</b>	<b>17</b>	<b>71</b>
<b>Net Change in cash and cash equivalents</b>	<b>5</b>	<b>8</b>	<b>16</b>
Opening Cash Balance	34	17	17
<b>Closing Cash Balance</b>	<b>38</b>	<b>26</b>	<b>34</b>

# Historical Consolidated Profit & Loss



Particulars (Rs. Crores)	FY20	FY19	FY18
Revenue from Operations	1,712	1,863	1,736
Other Income	13	16	78
<b>Total Revenue</b>	<b>1,725</b>	<b>1,879</b>	<b>1,814</b>
Operating Expenses	950	1045	1007
Purchase of Stock In Trade	371	385	307
Change in Inventories	2	-3	-2
<b>Total Overheads</b>	<b>1,323</b>	<b>1,427</b>	<b>1,312</b>
<b>Gross Margin</b>	<b>402</b>	<b>452</b>	<b>502</b>
<b>Gross Margin (%)</b>	<b>23.3%</b>	<b>24.1%</b>	<b>27.7%</b>
Employee Expenses	188	186	191
Other Expenses	164	156	156
<b>EBITDA</b>	<b>50</b>	<b>110</b>	<b>155</b>
<b>EBITDA Margin (%)</b>	<b>2.9%</b>	<b>5.9%</b>	<b>8.5%</b>
Depreciation	44	30	30
<b>EBIT</b>	<b>6</b>	<b>80</b>	<b>125</b>
<b>EBIT Margin (%)</b>	<b>0.3%</b>	<b>4.3%</b>	<b>6.9%</b>
Finance Cost	54	45	47
Exceptional Items - Profit / (Loss)	-	-	-24
<b>Profit before Tax</b>	<b>-48</b>	<b>35</b>	<b>54</b>
<b>Profit before Tax(%)</b>	<b>NA</b>	<b>1.9%</b>	<b>3.0%</b>
Tax	36	12	15
<b>Profit After Tax</b>	<b>-84</b>	<b>23</b>	<b>39</b>
<b>PAT Margin (%)</b>	<b>NA</b>	<b>1.2%</b>	<b>2.1%</b>
EPS (As per Profit after Tax)	-7.04	1.69	3.33



# Historical Consolidated Balance Sheet



Particulars (Rs. Crores)	FY20	FY19	FY18
<b>ASSETS</b>			
<b>Non-current assets</b>	<b>1,149</b>	<b>1,112</b>	<b>1,086</b>
Property, Plant and Equipment	523	567	564
Capital work-in-progress	0	5	2
Right to Use	85	0	0
Intangible Assets	4	3	3
Intangible Assets Under Development	2	0	0
Goodwill	426	426	426
<b>Financial Assets</b>			
(i) Investments	0	2	4
(ii) Loans	6	12	15
Deferred Tax Assets(net)	6	4	3
Non Current tax assets (net)	96	71	53
Other non-current assets	3	22	16
<b>Current assets</b>	<b>444</b>	<b>377</b>	<b>370</b>
Inventories	10	12	9
<b>Financial Assets</b>			
(i) Investments	78	0	0
(ii) Trade receivables	205	239	243
(iii) Cash and cash equivalents	34	17	19
(iv) Bank balances other than (iii)	15	30	23
(v) Loans	21	12	0
(vi) Other Financial Assets	29	33	44
Other Current Assets	23	32	33
Assets held for sale	30	2	0
<b>TOTAL</b>	<b>1,594</b>	<b>1,490</b>	<b>1,456</b>

Particulars (Rs. Crs.)	FY20	FY19	FY18
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>	<b>847</b>	<b>846</b>	<b>843</b>
Equity Share Capital	24	22	22
Other Equity	822	825	821
<b>Non-Current Liabilities</b>	<b>175</b>	<b>184</b>	<b>229</b>
Financial Liabilities			
(i) Borrowings	97	169	216
(ii) Other Financial Liabilities	1	7	6
(iii) Lease Liability	69	0	0
Provisions	8	8	7
<b>Current liabilities</b>	<b>572</b>	<b>459</b>	<b>385</b>
Financial Liabilities			
(i) Borrowings	154	114	105
(ii) Trade Payables	116	149	124
(iii) Lease Liability	10	0	0
(iv) Other Financial Liabilities	222	160	122
Other Current Liabilities	32	35	33
Provisions	2	2	1
Current tax liabilities (net)	36	0	0
<b>TOTAL</b>	<b>1,594</b>	<b>1,490</b>	<b>1,456</b>



# Our CSR Commitment

# GATI's CSR



## GATI's commitment to the society

Corporate Social Responsibility has been integral to everything GATI has done over the last 30 years, with efforts aimed towards empowerment, education and environmental sustainability for generations to come.

## Our CSR Vision

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



Education



Community



Environment



Rural Development Projects and Donations

# Safe Harbor

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Thank You

**SGA** Strategic Growth Advisors

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