



October 27, 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 September 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

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India's Premier Express Logistics Company

Earnings Presentation
Q2FY22



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



33* 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 Q2FY22



₹ Revenue

Revenue at ₹ 401 Crores
up by 19% Y-o-Y and up by
38% Q-o-Q

Bar Chart Gross Margins

Gross Profit at ₹ 96 Crores
Gross Margin (%) at 23.9%

Line Chart EBITDA

EBITDA at ₹ 18 Crore.
EBITDA margins at 4.5%

GKEPL adj-EBITDA
margins at 6.7%

Bar Chart PBT

Reported PBT (before
exceptional) at ₹ 6 Crores
PBT Margin at 1%

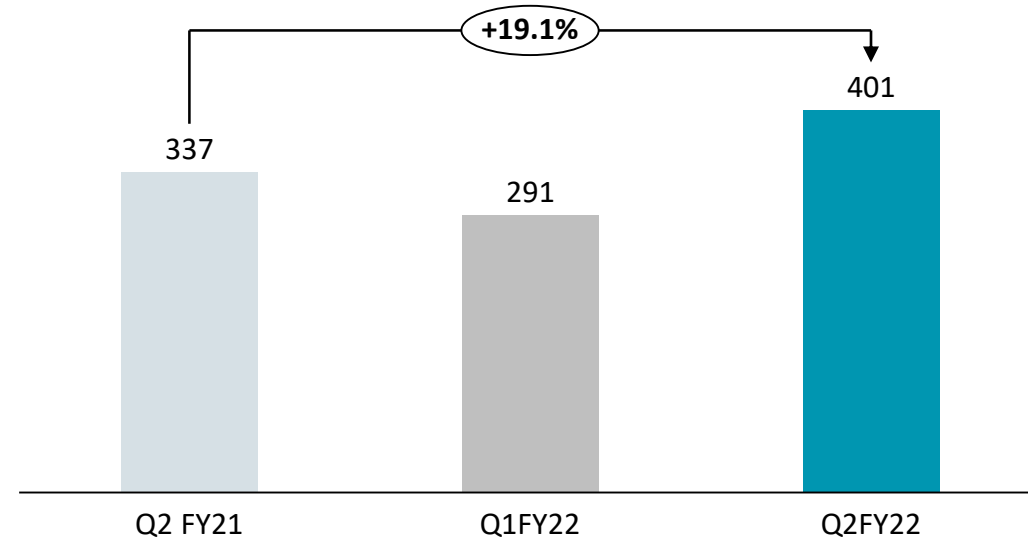
Key Management Commentary:

- ✓ **Achieved highest ever quarterly tonnage and revenue in express business. GKEPL has maintained its market share in the Indian Express B2B market**
- ✓ **Digital focus continues with successful implementation of Salesforce CRM to enable customer acquisition in a more processed manner**
- ✓ **Focus on increasing collections through Digital payments. The digital collection as % of overall collections stood at its highest levels of +30% in August, 2021**
- ✓ **Redesigning key accounts process and enabling finance transformation. Line haul and network improvement, vendor management & redefined franchisee roll-out.**
- ✓ **Wallet share expansion, customer service excellence & deduction control. Signed 284 new contracts. Added 3 new franchisee & ~70 GA's as business partners**

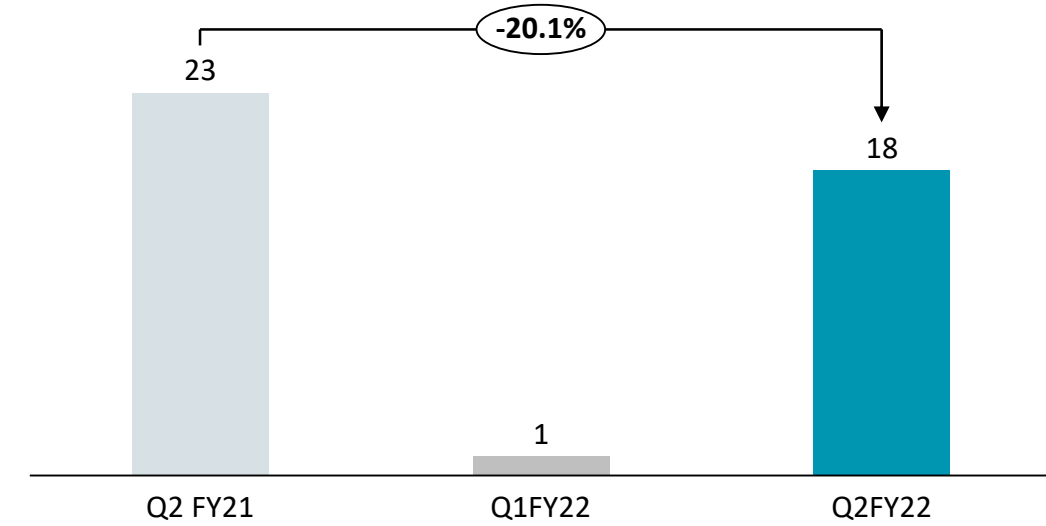
Consolidated Financial Performance (Quarterly)



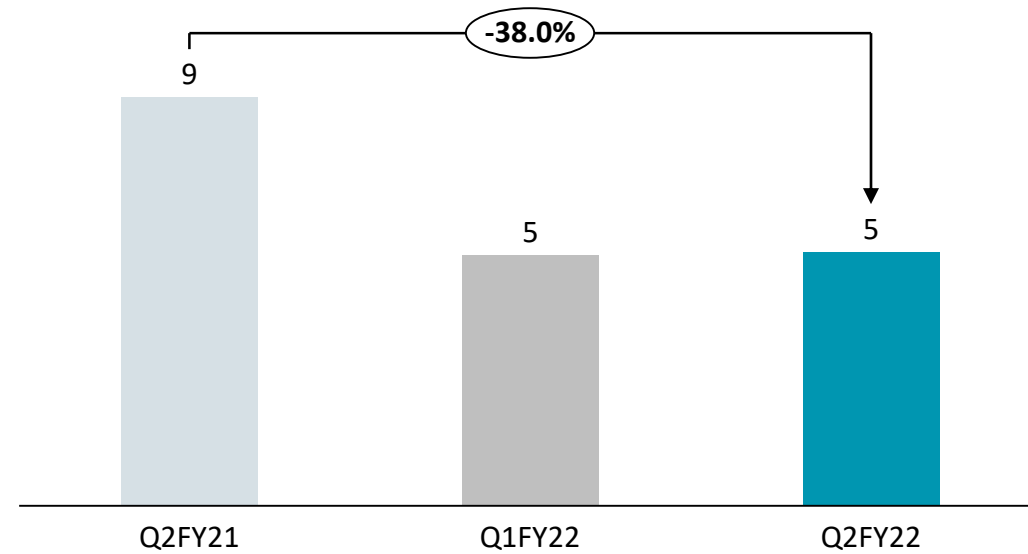
Revenue (₹ Crores)



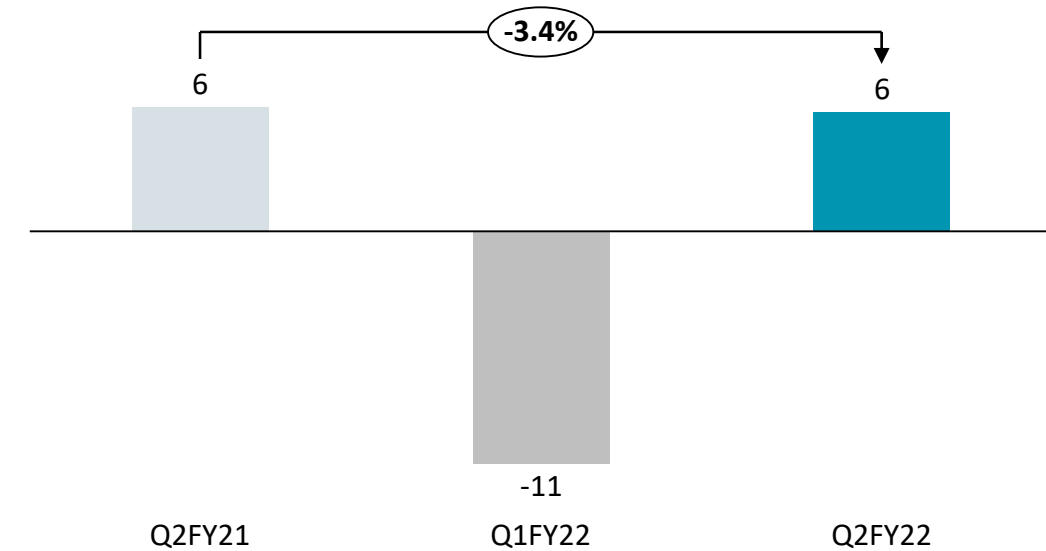
EBITDA (₹ Crores)



Interest Cost (₹ Crores)



PBT* (₹ Crores)

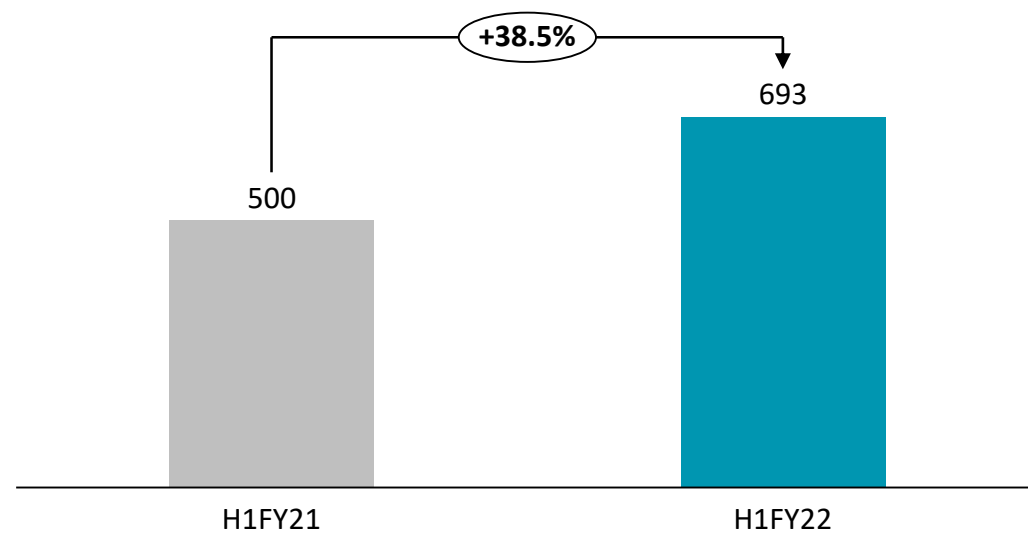


*Pre-exceptional Items

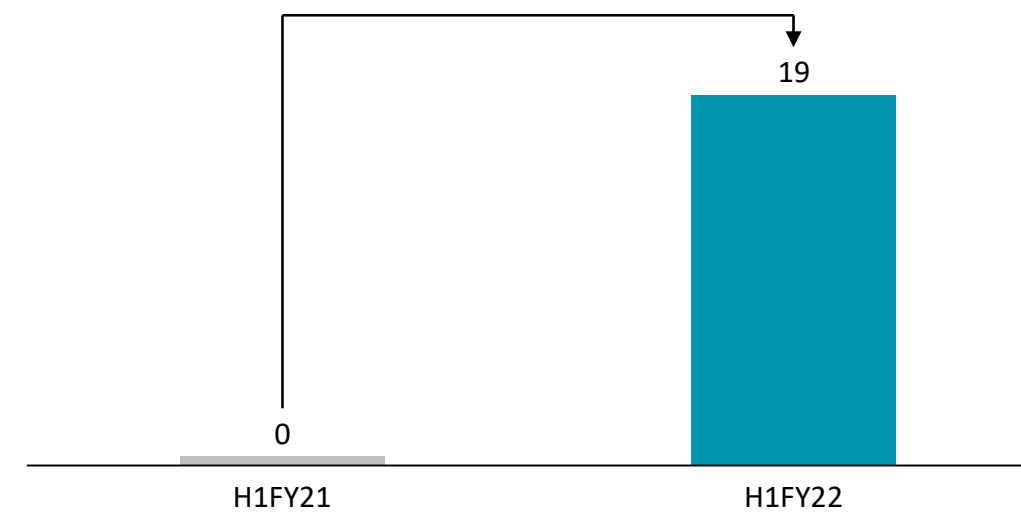
Consolidated Financial Performance (YTD)



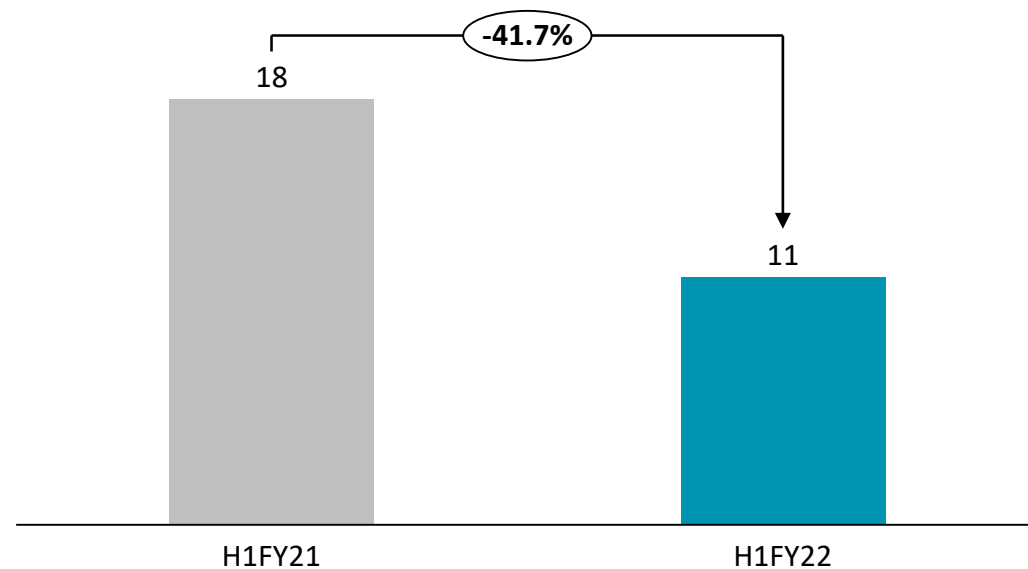
Revenue (₹ Crores)



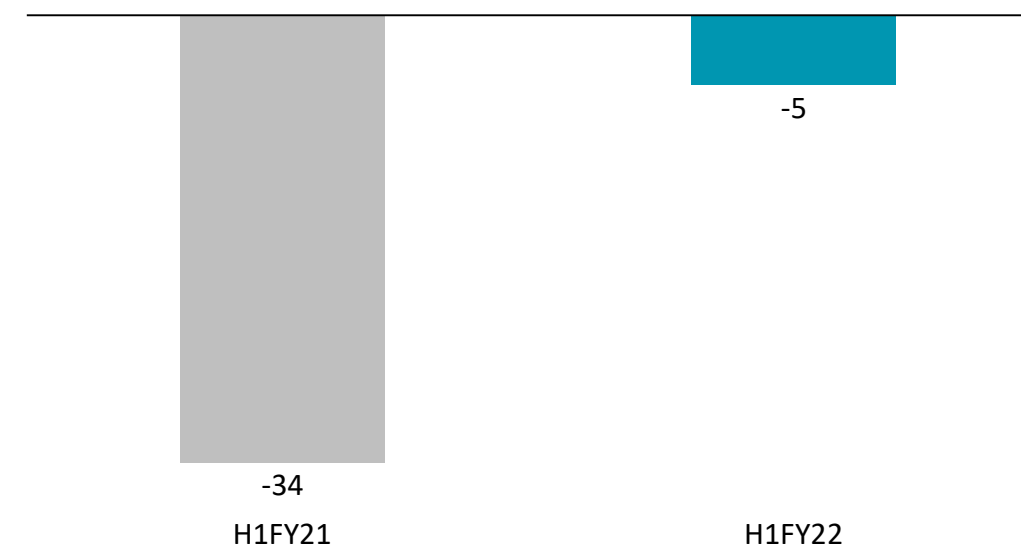
EBITDA (₹ Crores)



Interest Cost (₹ Crores)



PBT* (₹ Crores)

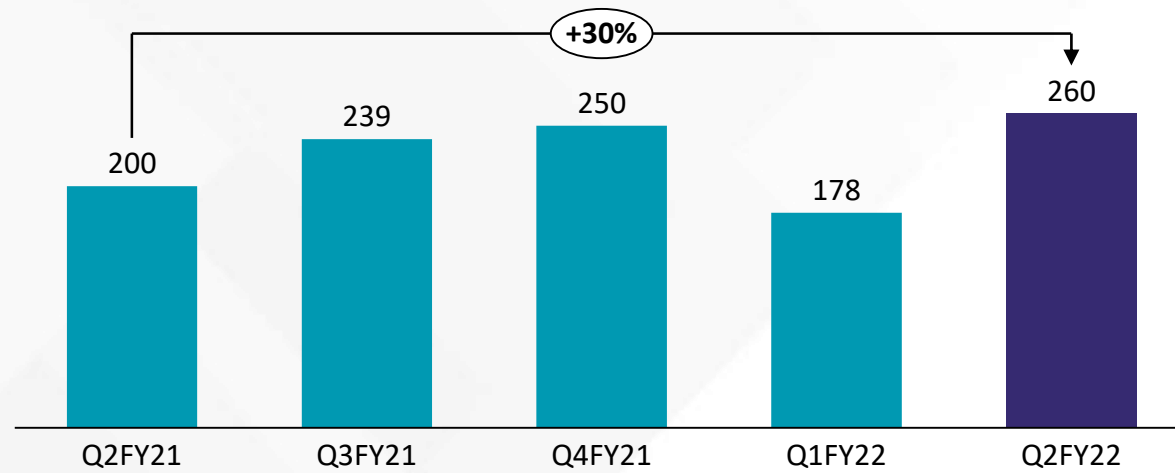


*Pre-exceptional Items

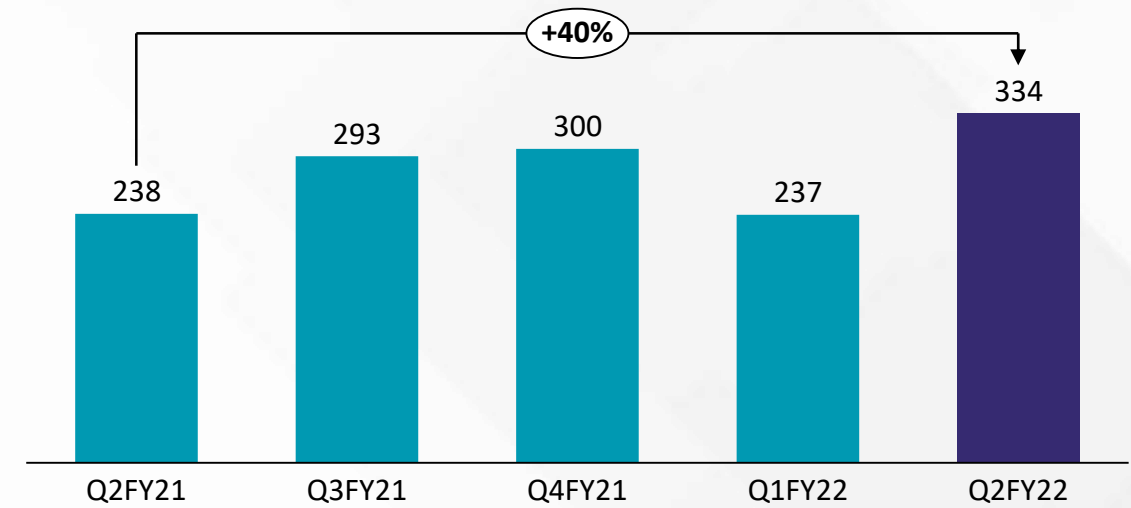
GKEPL Performance – Key Highlights



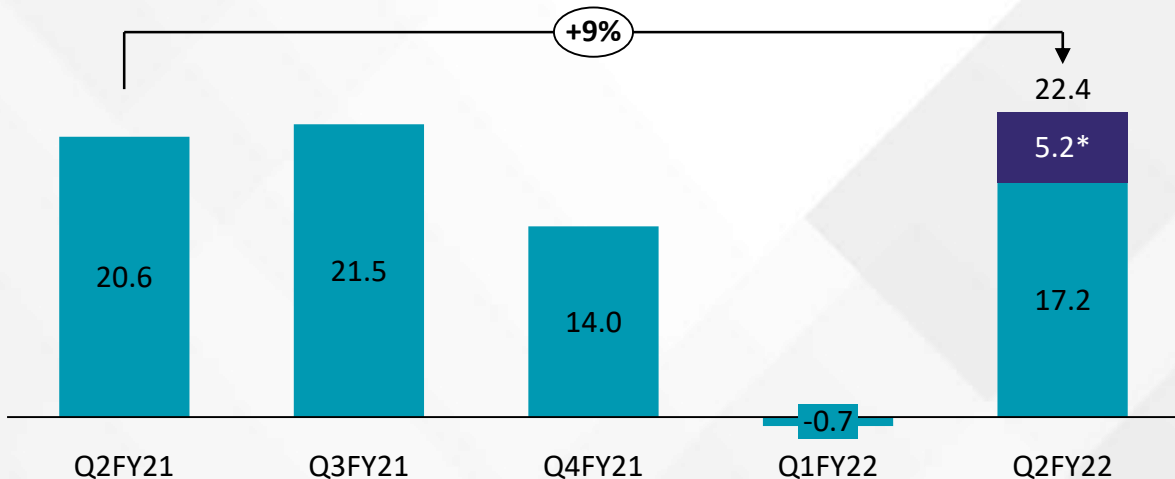
Volumes ('000 MT)



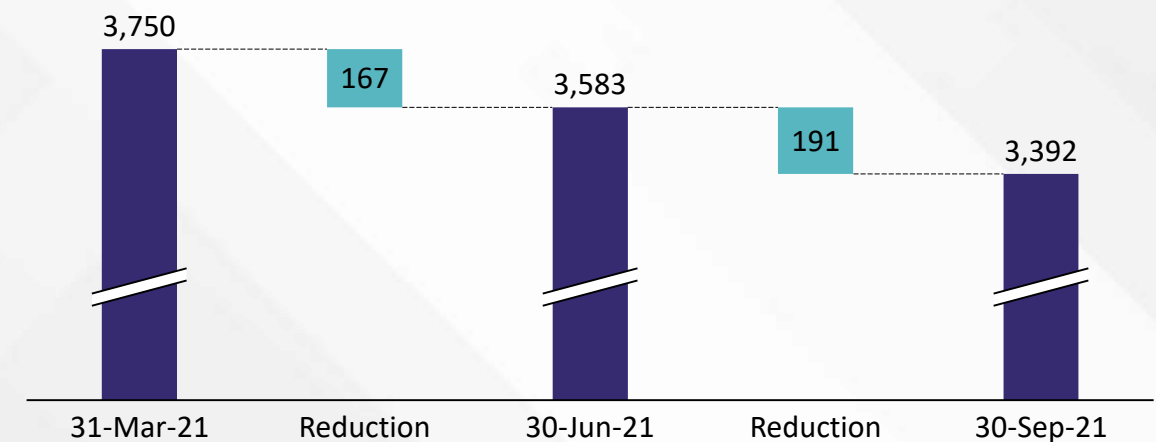
Revenue (₹ Crores)



EBITDA (₹ Crores)

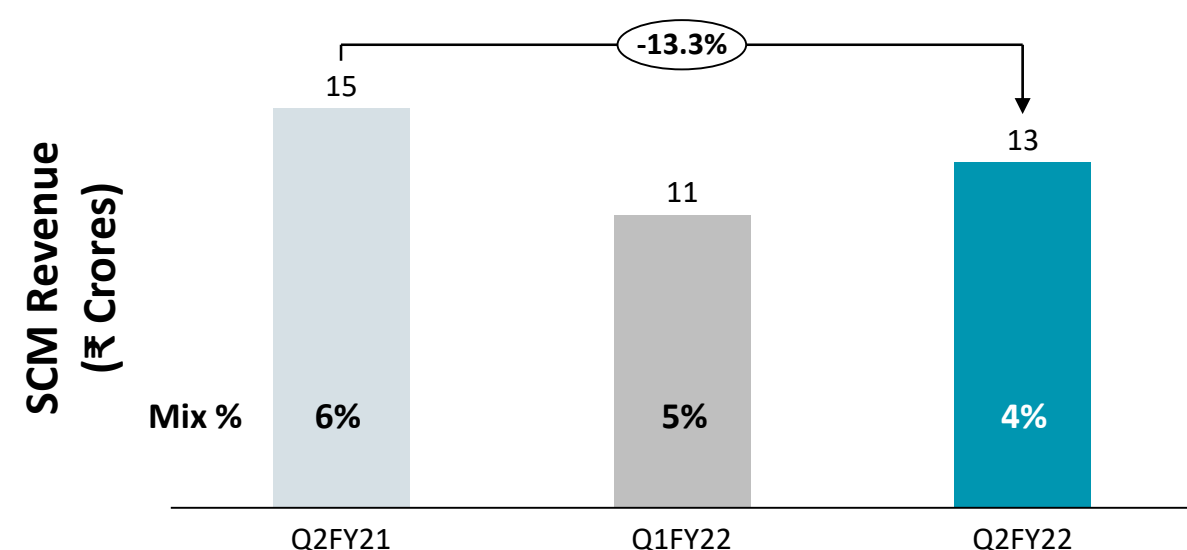
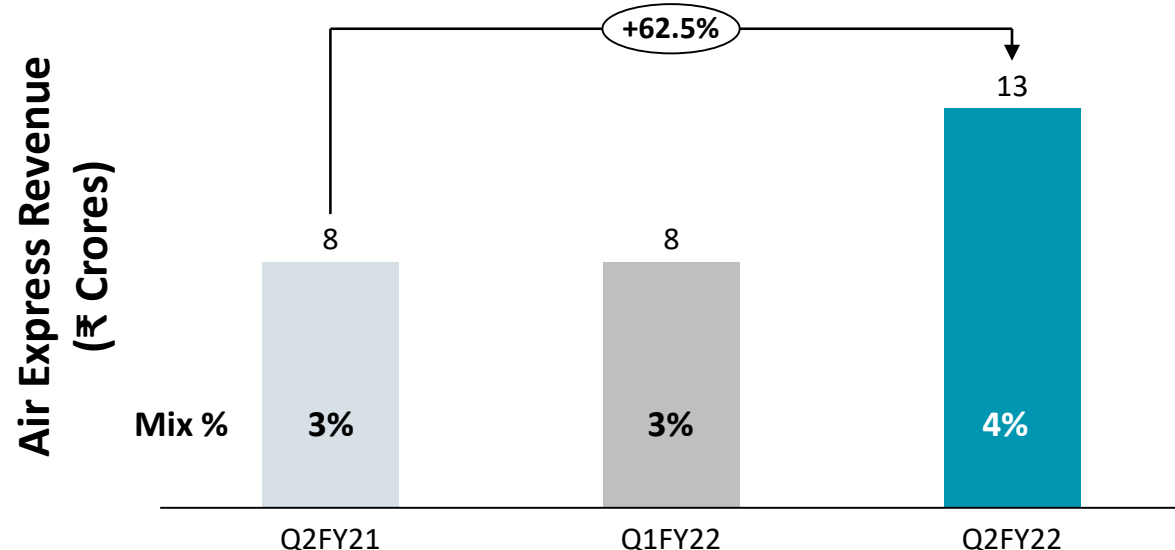
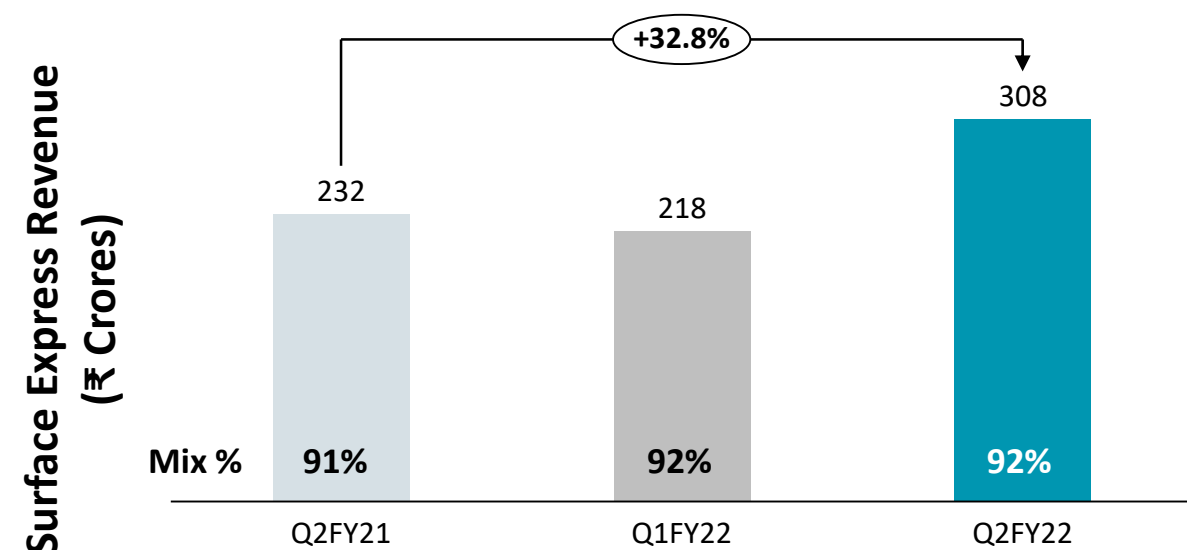
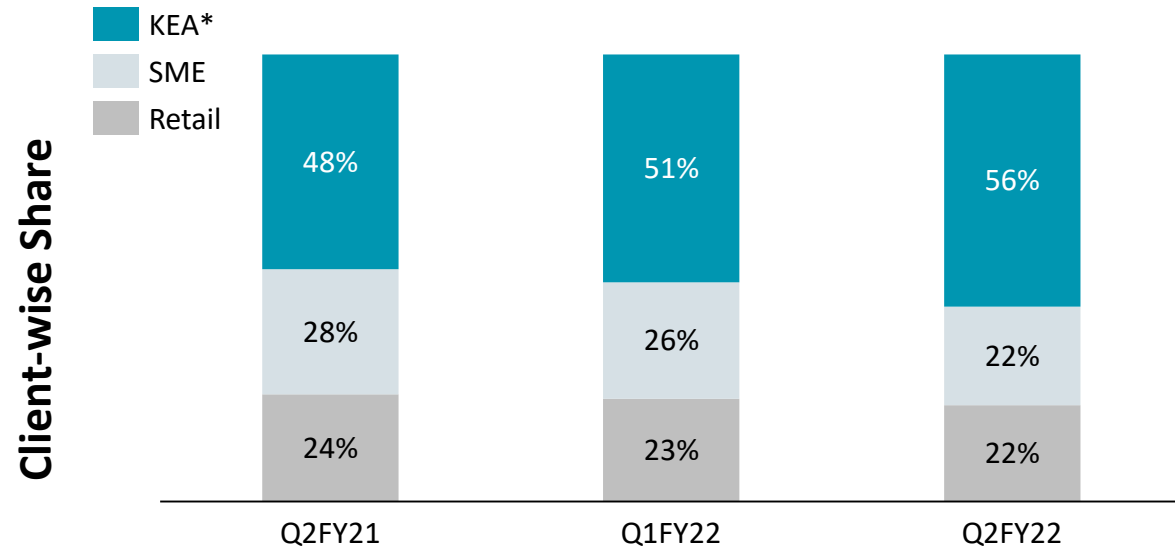


No. of Employee (Consolidated)



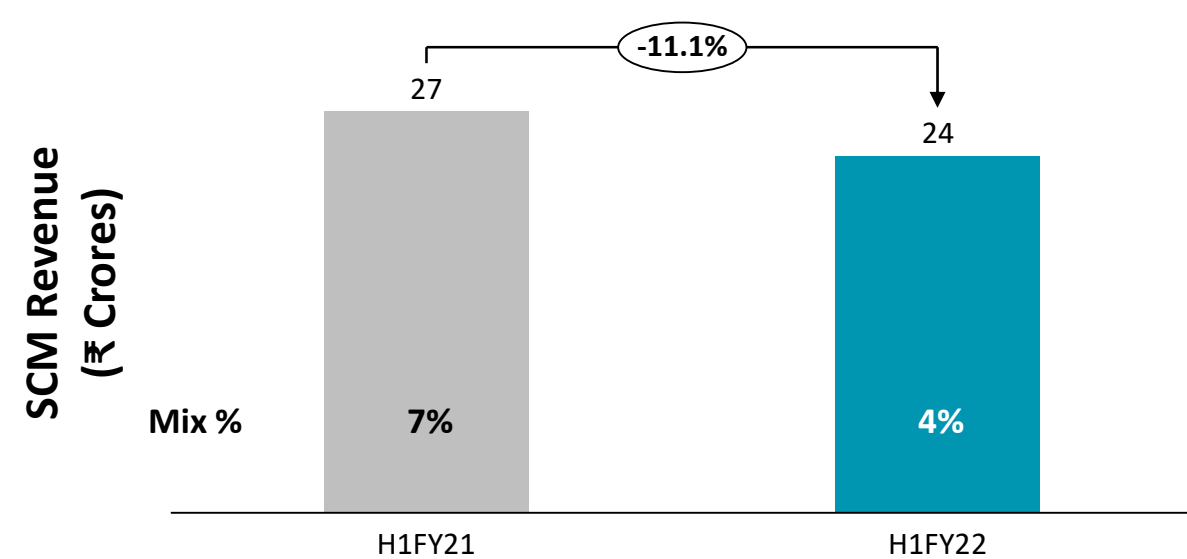
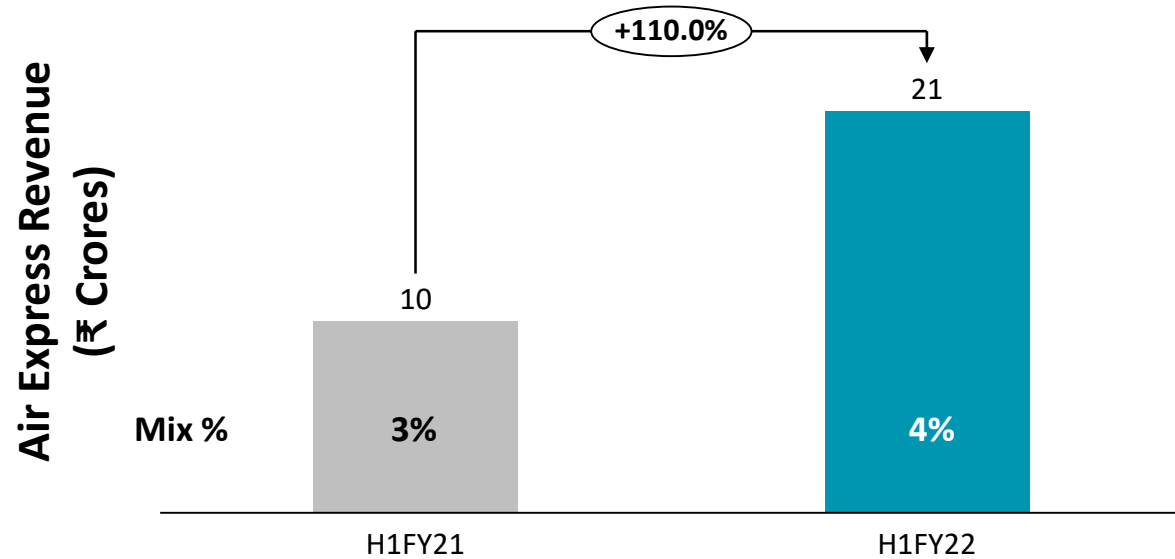
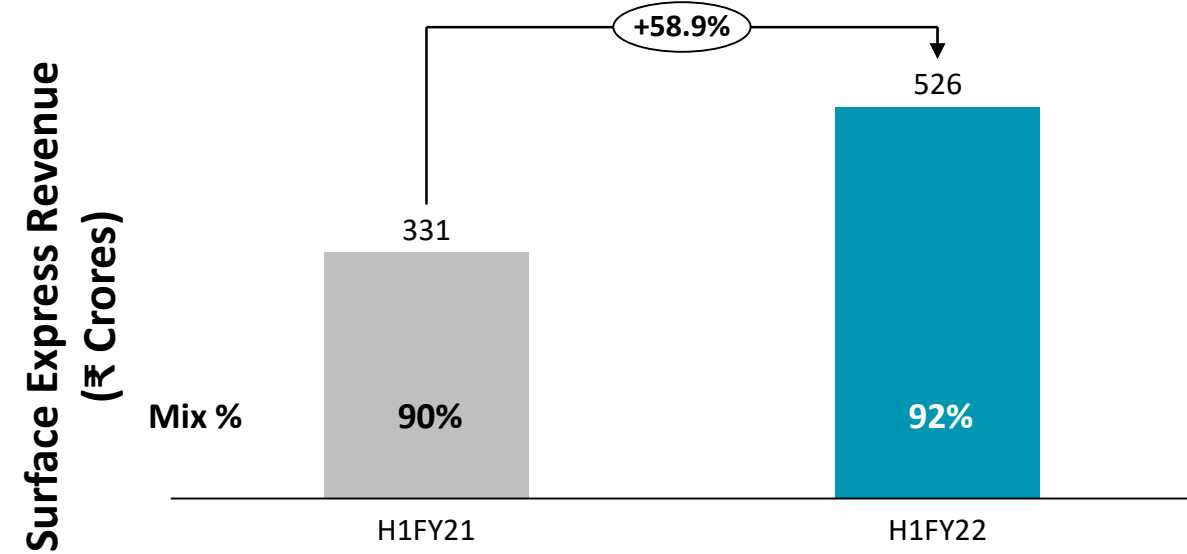
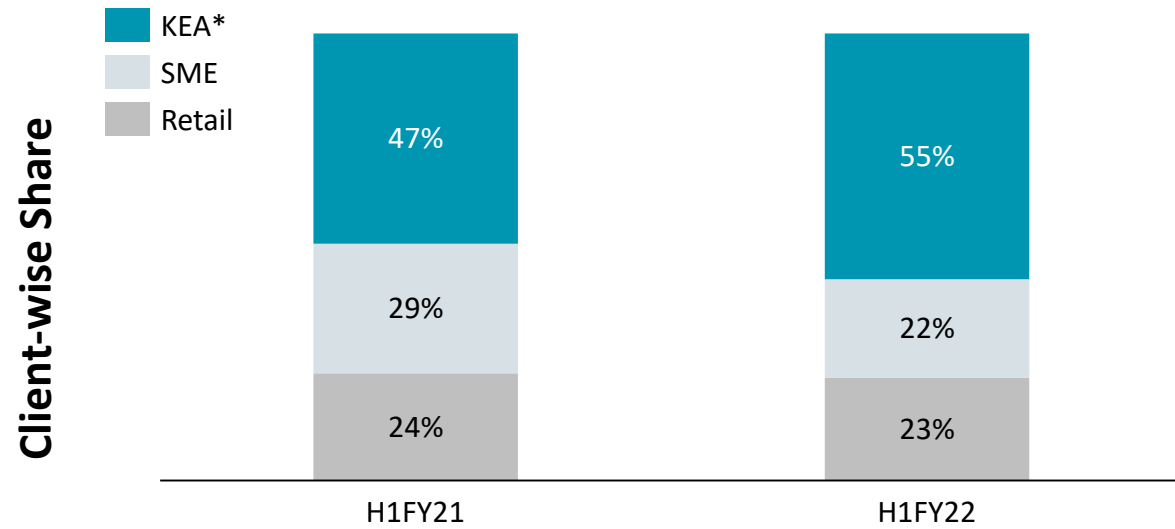
* One time costs of Rs 5.2 cr in Q2 for consulting fees and employee costs

GKEPL Segmental Performance - Quarter



* Key Enterprise Accounts

GKEPL Segmental Performance - YTD



* Key Enterprise Accounts

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

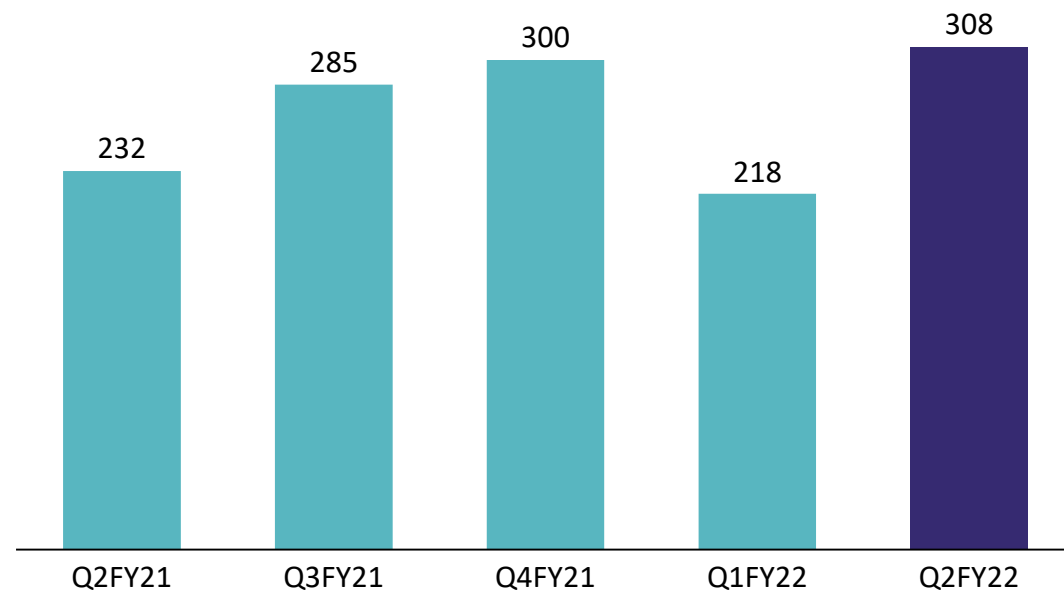


Reverse logistics expertise

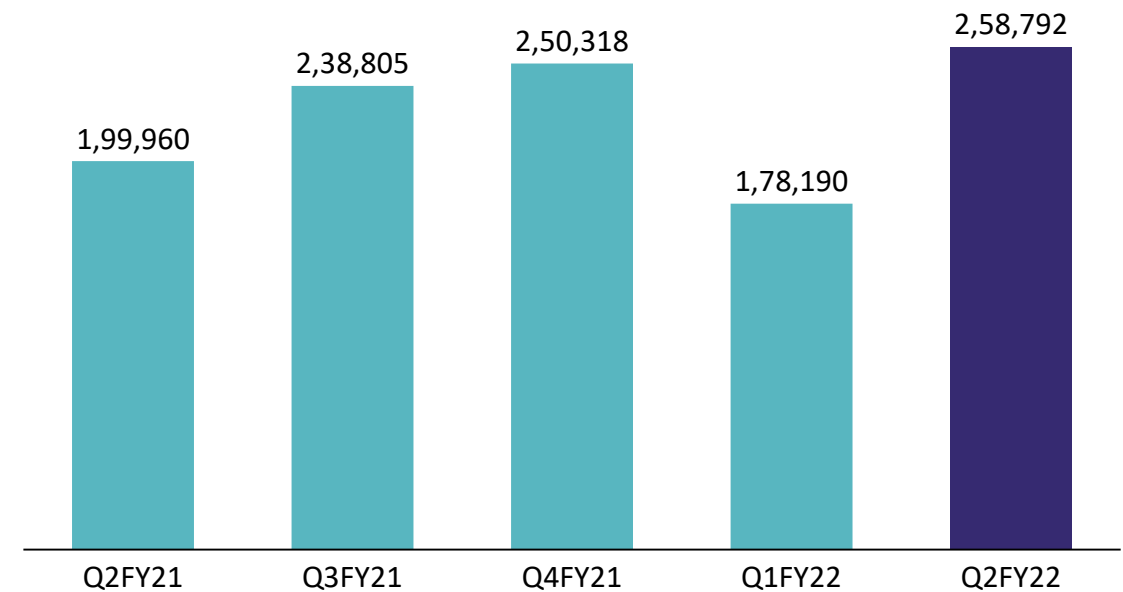


Guaranteed on-time deliveries

Revenue (₹ 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

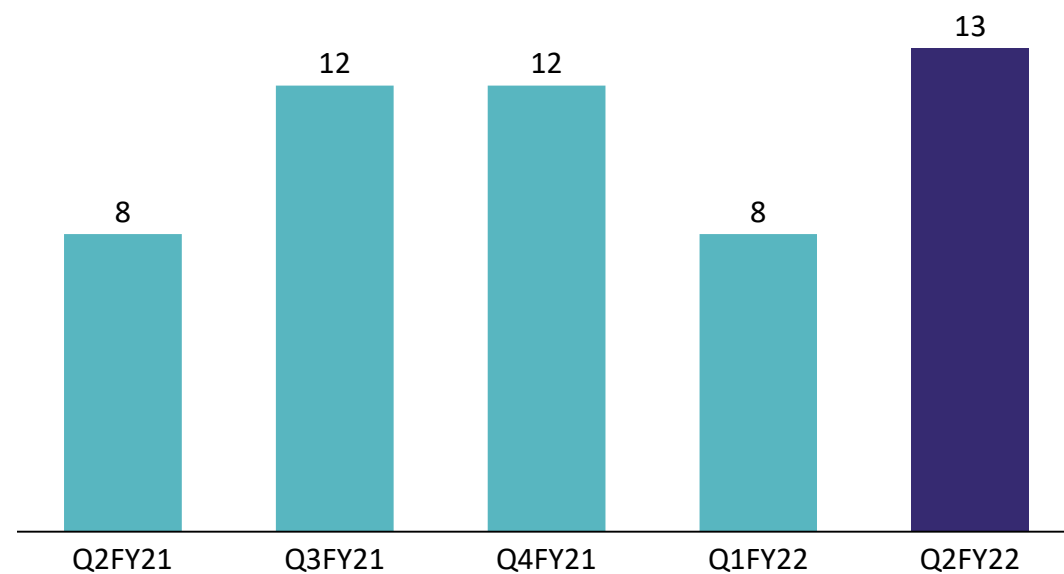


Trained staff for Dangerous Goods

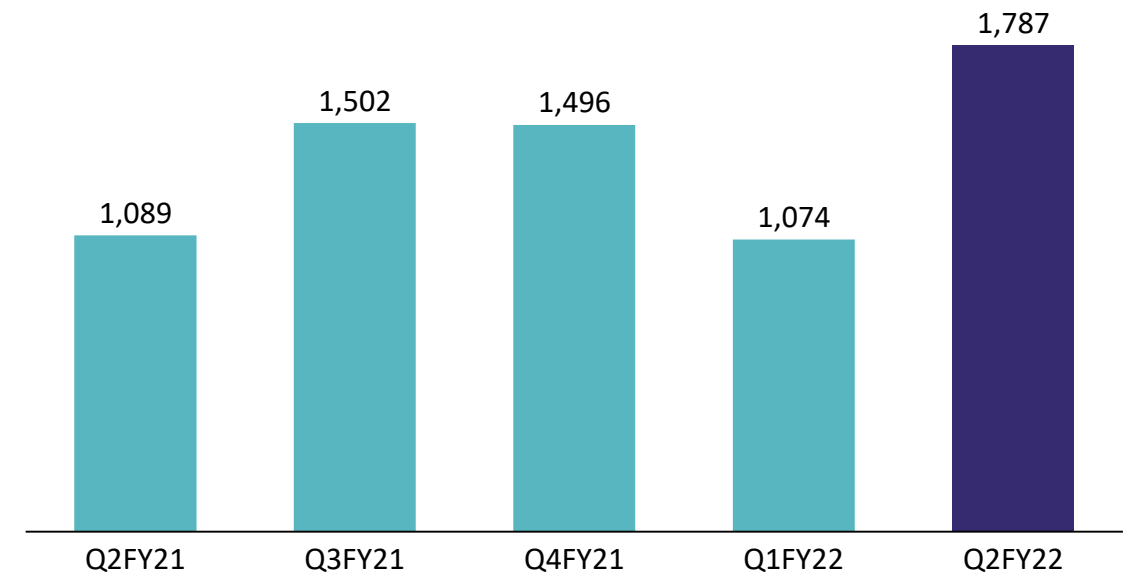


Tie-up with India's Leading commercial airline

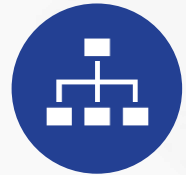
Revenue (₹ Crores)



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 Racking & conveyor belts***



Best-in-class Warehouse Management System



Integrated Warehousing and Distribution



Option of order and inventory-based models

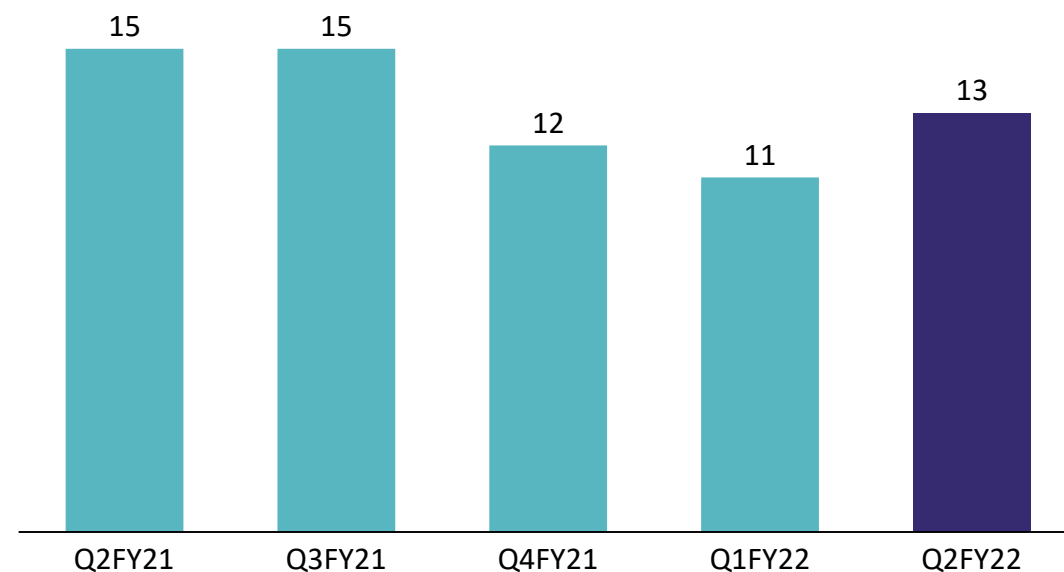


Inventory and purchase order management

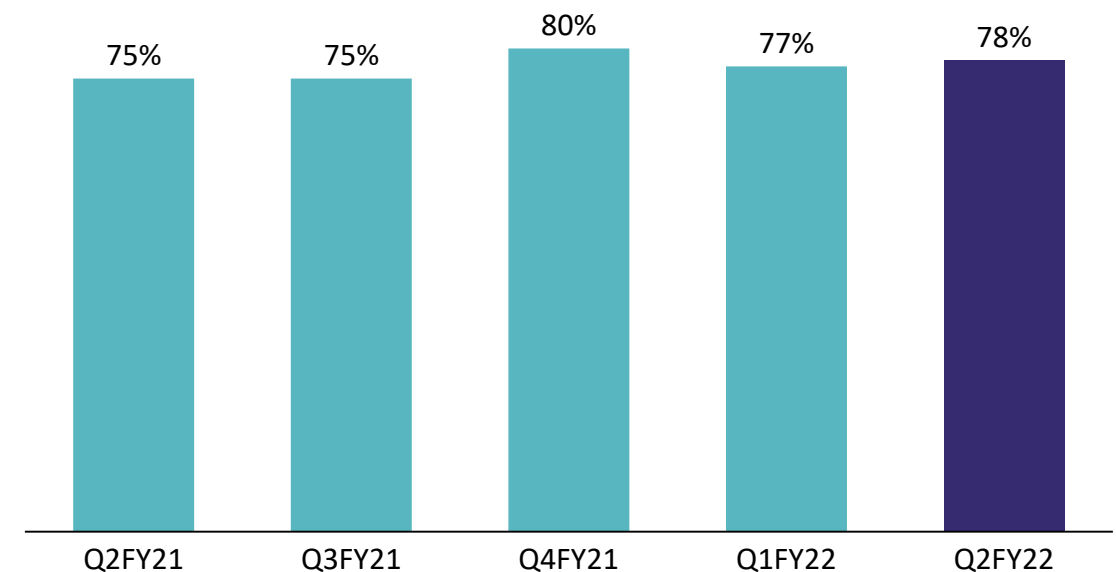


Customized solutions for multiple industries

Revenue (₹ Crores)

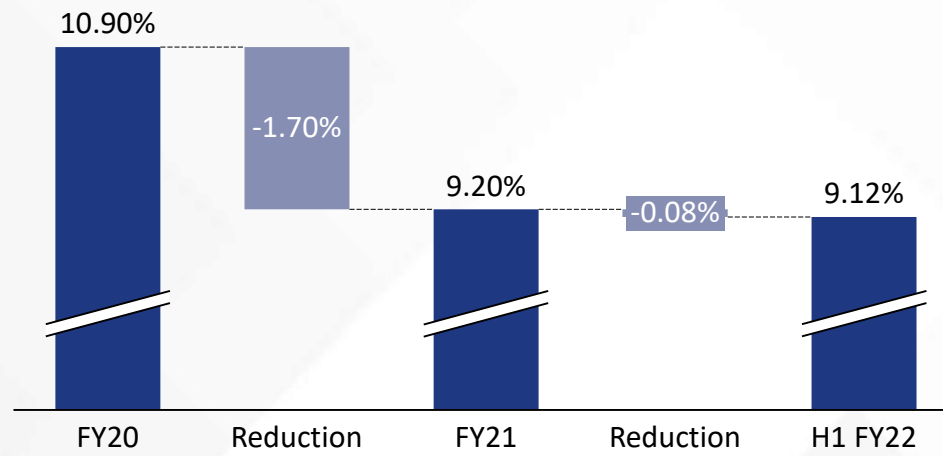


Utilization (%)

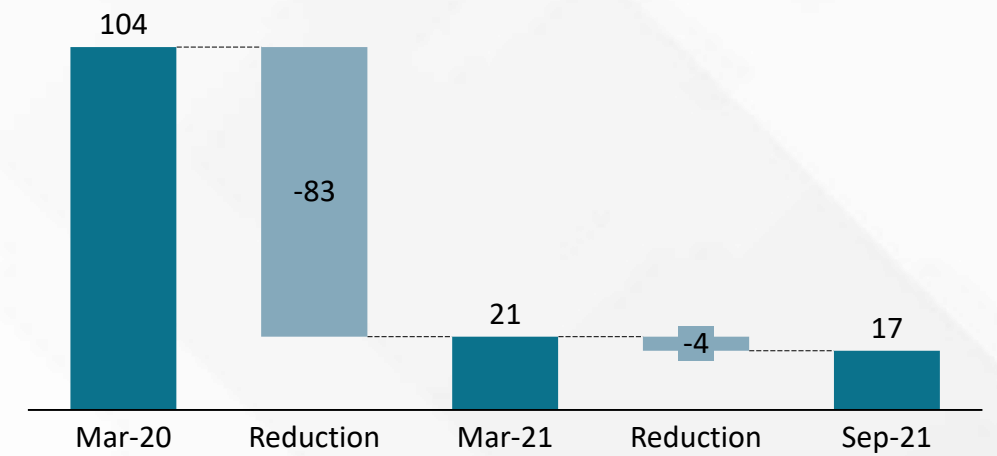




Average Cost of Funds

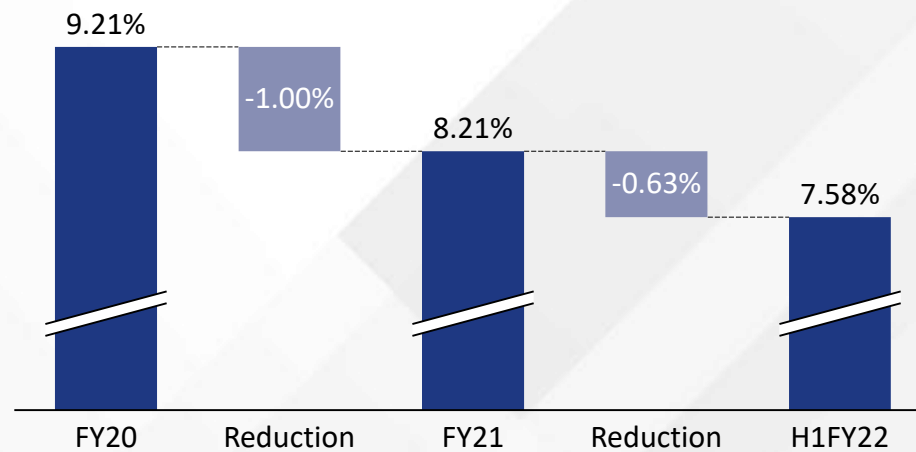


Debt Movement (₹ Crores)

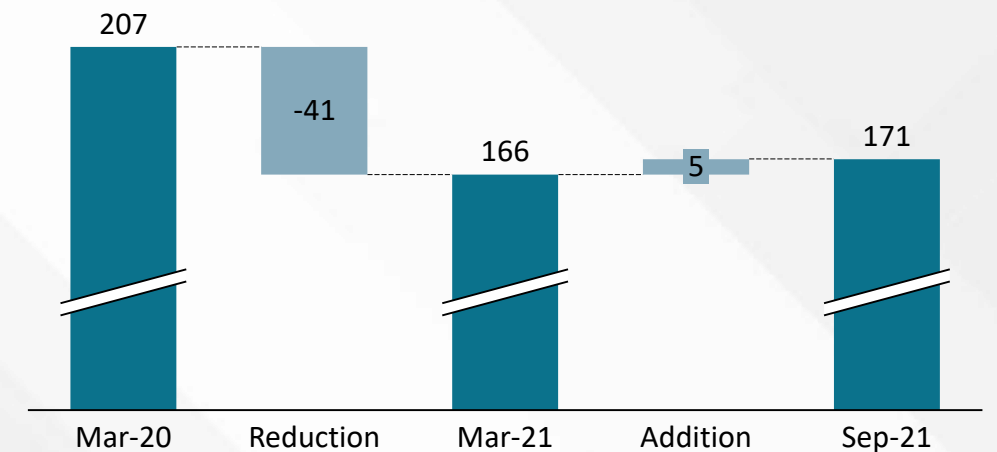


*repaid term loan of ₹ 7.5 crs in October from sale of non-core

Average Cost of Funds



Debt Movement (₹ Crores)



Project Avvashya – Redefining Gati



Pillars of Transformation

Process

Result till date

Sales Acceleration

Accelerating Sales growth, especially in retail and KEA



- KPI Redesign: KPI & KRA for SME and Retail team modified. Sales competency assessment underway; to be used for org. redesign
- Air Incentive Program launched for Q3FY22 to increase air customer base. Docket price increase to be announced for SME and Retail

Operational Excellence

Building Capacity and becoming asset light



- Handler contracts - Lucknow, Kanpur, Varanasi, Jaipur, Udaipur
- GA wise delivery rates finalized and mapped for 10 EDCs; 4 EDC's ready to mapped ; discussions ongoing in 5 EDC's

Technology & Processes

Setting digital strategy roadmap and critical decision on CRM



- Salesforce – Sales module is live; 400 sales personnel have started using the CRM portal
- Customer portal – Vendor selected; full implementation to take ~6 months

Talent and Organization

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



- Headcount norms updated - inclusive of fresh additions across various levels
- Target HC with additional 8-10% variation on the lower side

Overhead & Finance

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



- "Asset Track" finalized as the vendor for Asset Tagging
- High rent management – 4 more locations negotiated, expected incremental annualized savings

Consolidated Profit & Loss



Particulars (₹ Crores)	Q2FY22^	Q2FY21^	Y-o-Y	Q1FY22^	Q-o-Q	H1FY22	H1FY21	Y-o-Y	FY21^	FY20**	FY19**
Revenue from Operations	399	334		290		690	492		1,283	1,712	1,863
Other Income	2	3		1		3	8		10	13	16
Total Revenue	401	337	19%	291	38%	693	500	-42%	1,293	1,725	1,879
Direct Overheads	305	253		223		528	372		966	1,323	1,427
Gross Margin	96	84	15%	69	39%	165	128	-46%	328	402	452
Gross Margin (%)	23.9%	24.8%		23.6%		23.8%	25.7%		25.3%	23.3%	24.1%
Employee Expenses	41	35		35		76	68		159	188	186
Other Expenses	37	26		32		69	60		134	164	156
EBITDA	18	23	-20%	1	1,480%	19	0	138%	35	50	110
EBITDA Margin (%)	4.5%	6.7%		0.4%		2.8%	0.1%		2.7%	2.9%	5.9%
Depreciation	7	8		7		14	16		33	44	30
EBIT	11	14	-24%	-6	NM	5	-16	NM	1	6	80
Finance Cost	5	9		5		11	18		33	54	45
Pre-Exceptional PBT	6	6	-4%	-11	NM	-5	-34	NM	-31	-48	35
Exceptional Items	47	-11		-13*		34	-11		205	0	0
Post Exceptional PBT	53	-5		-24		29	-45		-236	-48	35
Tax	7	141		-2		417	-696		-7	36	12
Profit After Tax	46	-147		-21		-388	651		-229	-84	23

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

** Reported; ^ - Adjusted for Kausar

Consolidated Balance Sheet



ASSETS (₹ Crores)	30-Sep-21*	31-Mar-21*	31-Mar-20*	31-Mar-19*
Non-current assets	693	764	1,149	1,112
Property, Plant and Equipment	77	144	523	567
Capital work-in-progress	0	0	0	5
Right to Use	62	73	85	0
Intangible Assets	5	6	4	3
Intangible Assets Under Development	0	0	2	0
Goodwill	426	426	426	426
Financial Assets				
(i) Investments	0	0	0	2
(ii) Loans	5	5	6	12
Deferred Tax Assets(net)	21	24	6	4
Non Current tax assets (net)	93	83	96	71
Other non-current assets	5	3	3	22
Current assets	454	473	444	377
Inventories	3	4	10	12
Financial Assets				
(i) Investments	0	0	78	0
(ii) Trade receivables	211	195	205	239
(iii) Cash and cash equivalents	23	42	34	17
(iv) Bank balances other than (iii)	5	14	15	30
(v) Loans	20	20	21	12
(vi) Other Financial Assets	7	2	29	33
Other Current Assets	32	35	23	32
Assets held for sale	153	160	30	2
TOTAL	1,146	1,237	1,594	1,490

EQUITY AND LIABILITIES (₹ Crores)	30-Sep-21*	31-Mar-21*	31-Mar-20*	31-Mar-19*
EQUITY	664	610	847	846
Equity Share Capital	25	24	24	22
Other Equity	639	585	822	825
Non-Current Liabilities	77	98	175	184
Financial Liabilities				
(i) Borrowings	17	26	97	169
(ii) Other Financial Liabilities	0	0	1	7
(iii) Lease Liability	48	60	69	0
Provisions	11	11	8	8
Current liabilities	406	530	572	459
Financial Liabilities				
(i) Borrowings	161	250	154	114
(ii) Trade Payables	94	89	116	149
(iii) Lease Liability	12	11	10	0
(iv) Other Financial Liabilities	91	102	222	160
Other Current Liabilities	44	51	32	35
Provisions	4	4	2	2
Current tax liabilities (net)	0	23	36	0
TOTAL	1,146	1,237	1,594	1,490

* - Reported

Consolidated Cash Flow Statement



Cash Flow Statement for the period ended (₹ Crores)	Half year ended 30-Sep-21*	Full year ended 31-Mar-21*	Full year ended 31-Mar-20*	Full year ended 31-Mar-19*
PBT	24	-253	-48	35
Adjustments	-12	298	108	67
Operating profit before working capital changes	12	45	59	103
Changes in working capital	79	12	-4	20
Cash generated from operations	91	57	55	122
Direct taxes paid (net of refund)	-34	-8	-27	-24
Net Cash from Operating Activities	57	49	28	99
Net Cash from Investing Activities	14	135	-83	-42
Net Cash from Financing Activities	-91	-173	71	-58
Net Change in cash and cash equivalents	-19	10	16	-2
Opening Cash Balance	42	34	17	19
Closing Cash Balance	23	44	34	17

* - Reported

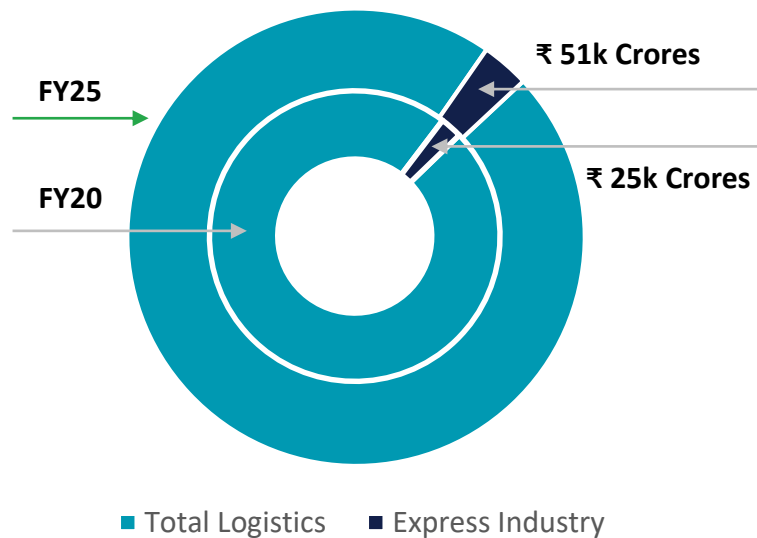
Industry with limitless opportunities

fastest growing segment in the industry

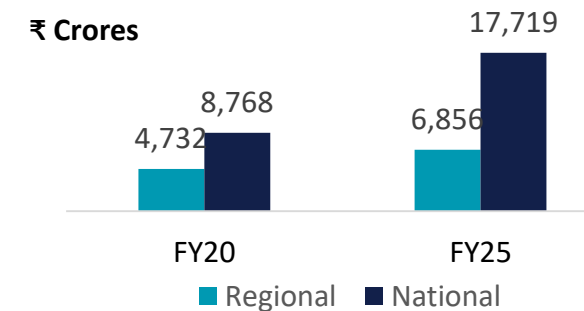
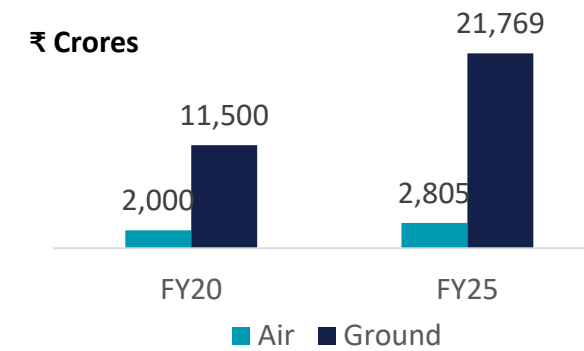
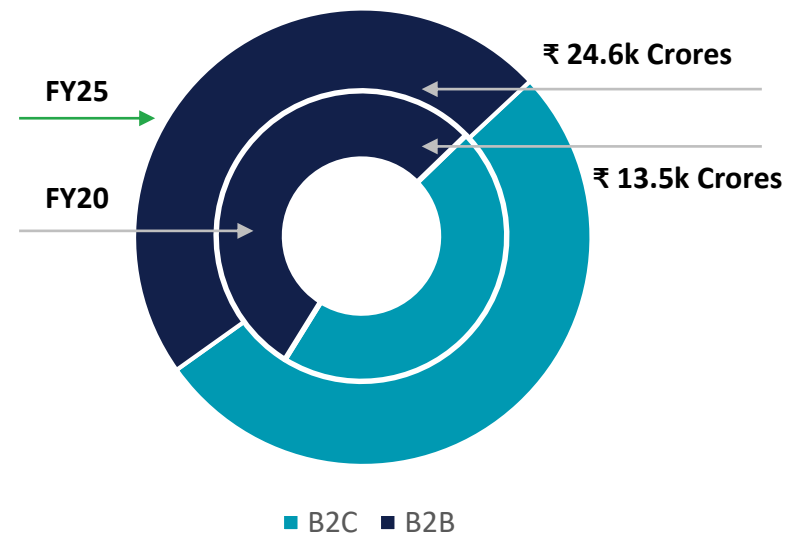


Surface + Air + Ecommerce + Contract Logistics
Total Available Market is ~ ₹ 52,500 Crores

Niche Contribution in Logistics Industry



Accelerated growth Opportunities



Short Term
ACHIEVED



Maintained market share in FY21

Medium Term
Launchpad FY21



Grow > Market + Improve margins based on Q4FY21

Long Term



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



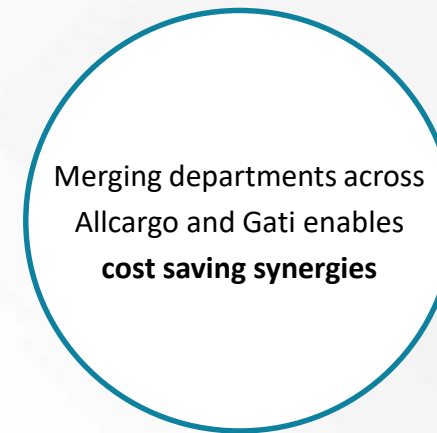
Basket of Offerings



Increased Reach



Cost Side benefits



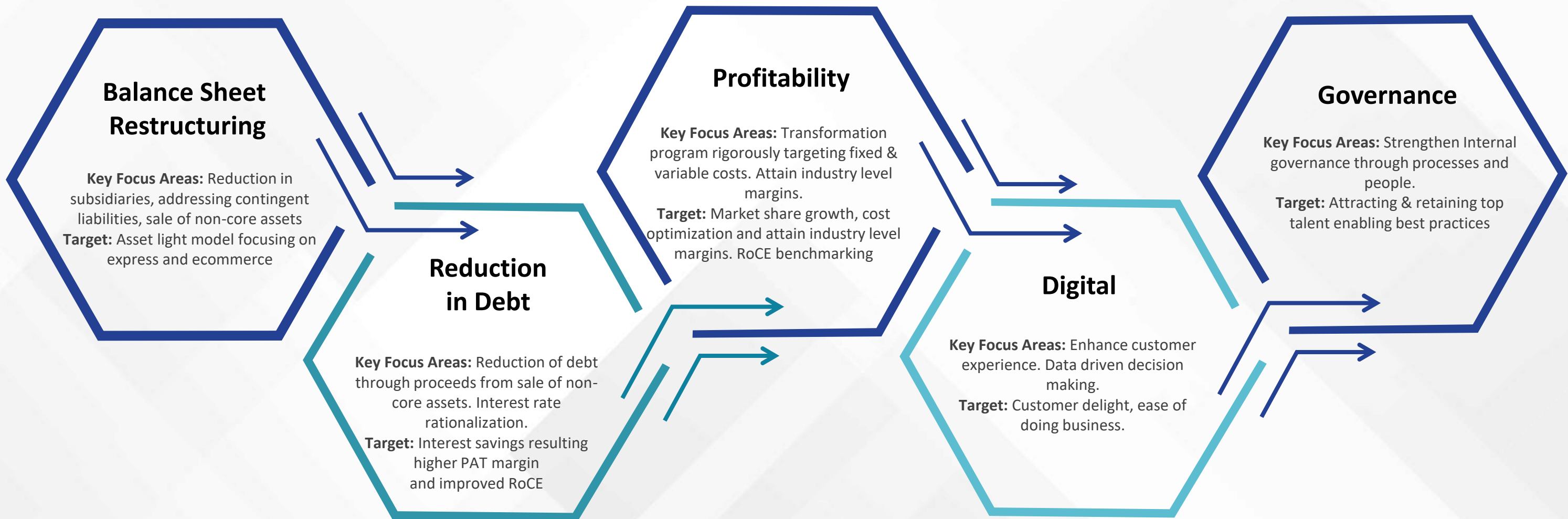
Now GATI with Allcargo can offer end to end value chain services in a single rate/contract



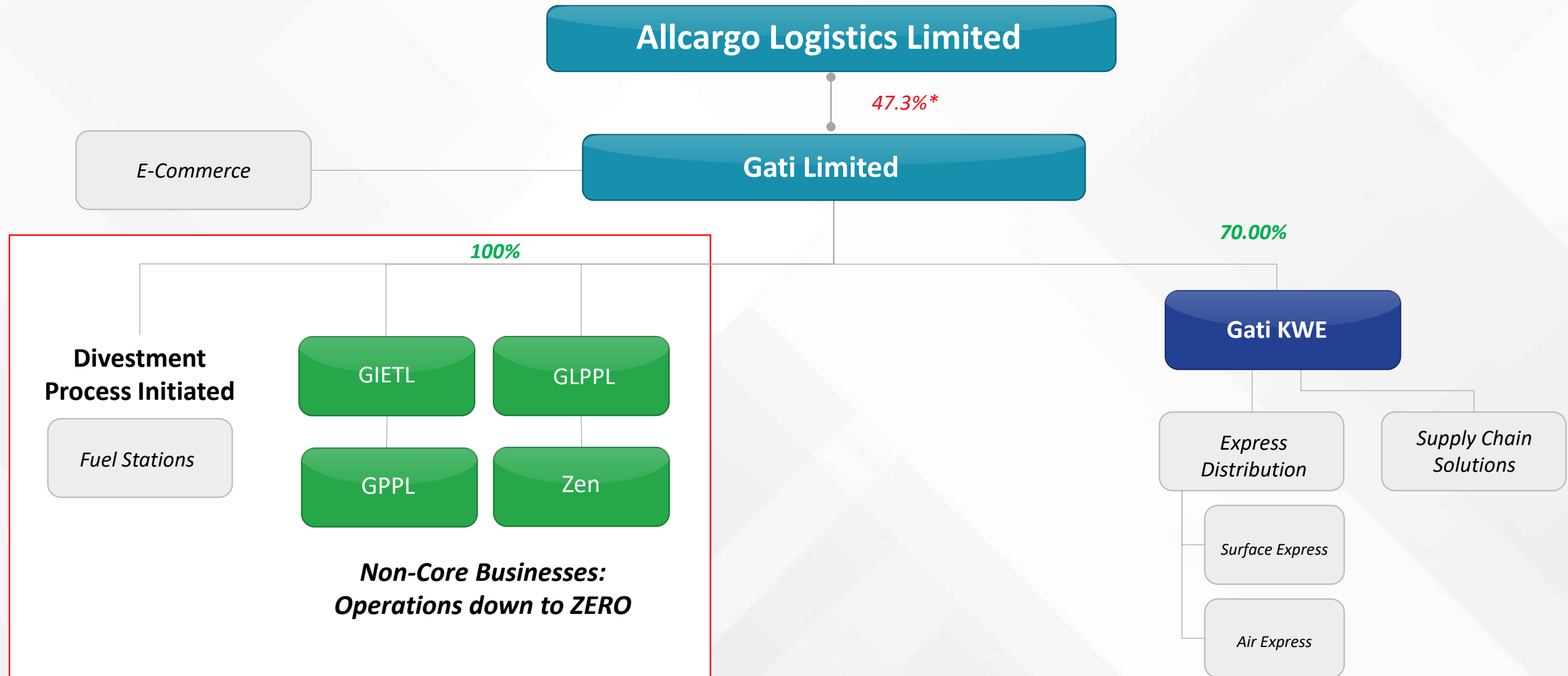
*Gati covers 99% of the GOI approved Pincodes

Poised for Growth through Transformation

foundation for sustainable growth



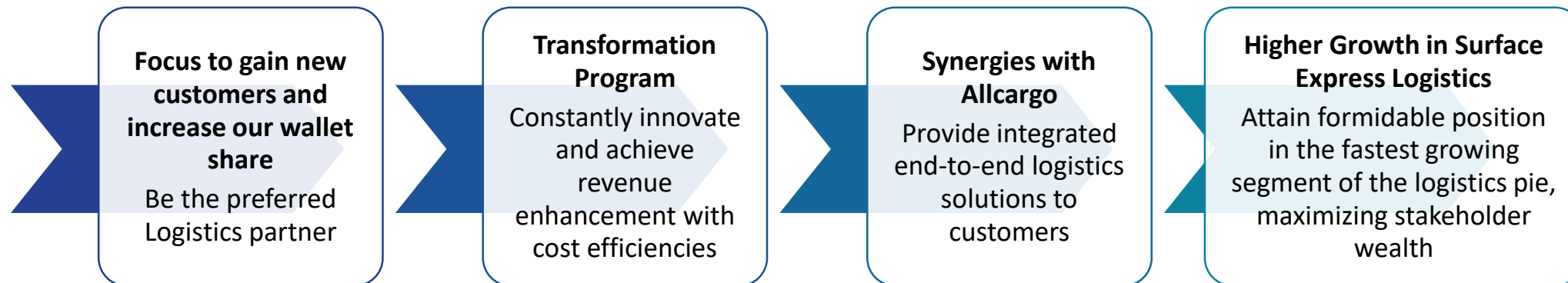
Re-alignment of Corporate Structure



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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