



August 03, 2022

<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> INE152B01027 <b>Re.:</b> Gati Limited	<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> INE152B01027 <b>Re.:</b> Gati Limited
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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 ended June 30, 2022.

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

**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

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



# India's Premier Express Logistics Company

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Investor Presentation  
**August 2022**





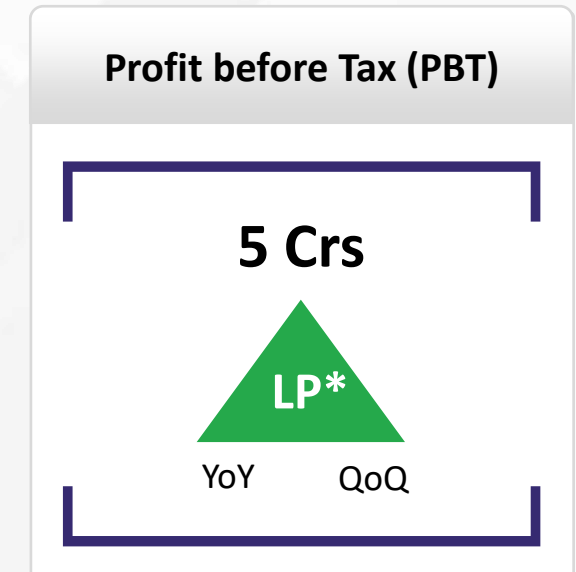
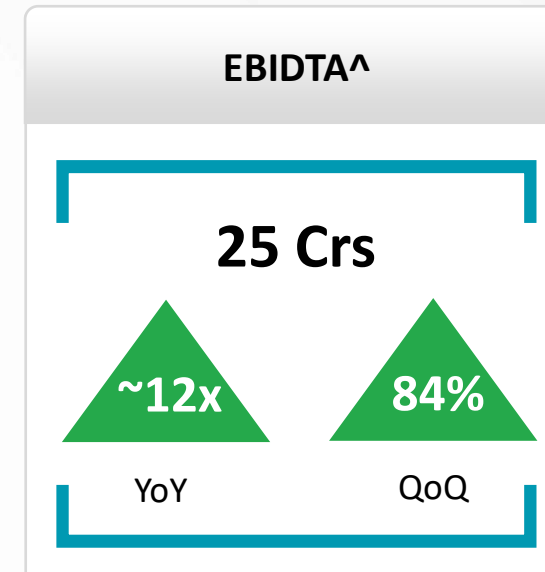
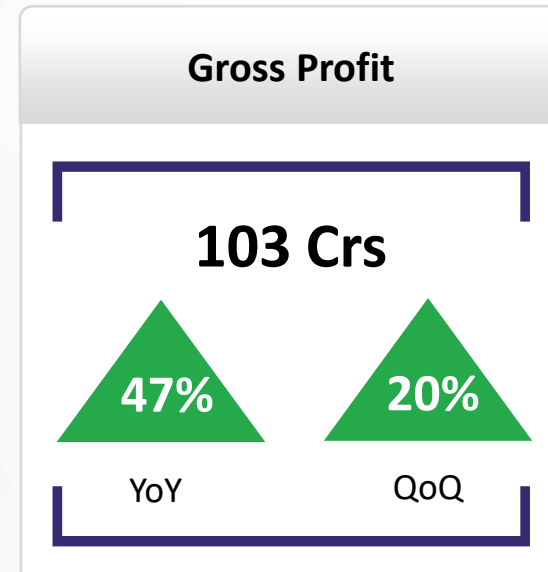
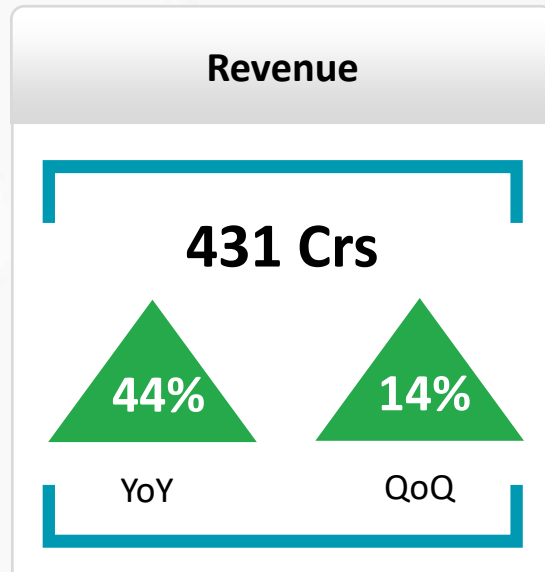
# Safe Harbor

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# KEY CONSOLIDATED HIGHLIGHTS – Q1FY23



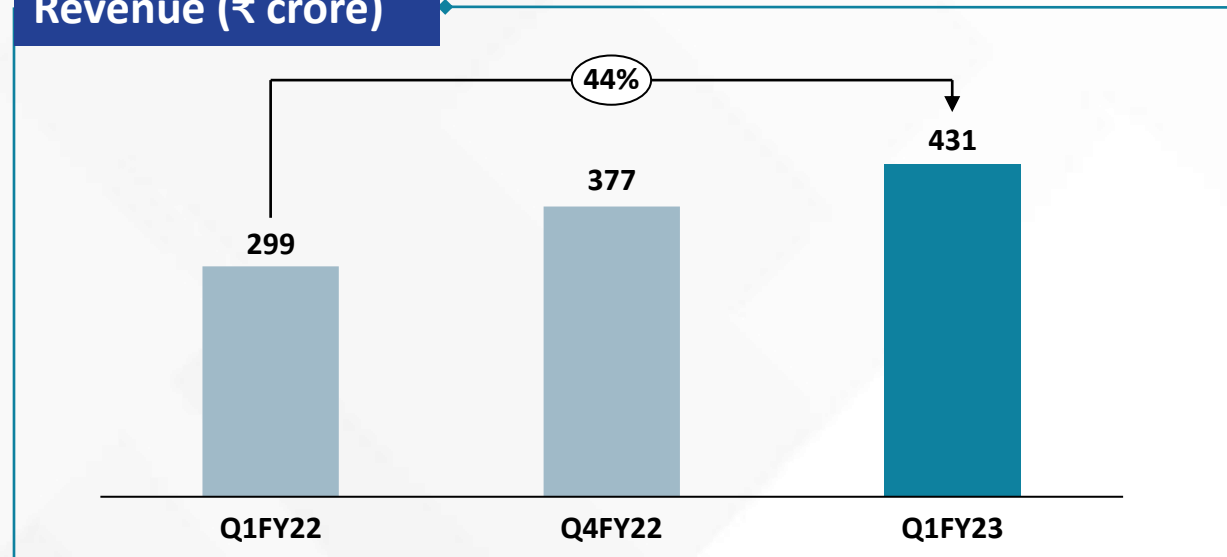
## Key Management Commentary:

- ✓ **Sales Acceleration:** Special Focus on Organisation Redesign and team Formation. MSME & Retail Revitalization through coverage expansion and territory mapping. Focus on growth through new business development and improvements in yield.
- ✓ **Operational efficiency:** Reducing cost through operational efficiency by way of Workflow driven Operations including network optimization and continuous monitoring. Increased business partners engagement. Special emphasis on quality to reduce damages. Evaluation of alternate fuel for cost reduction.
- ✓ **Digital:** Strengthening back-end and front-end technological capabilities by digitization of end-to-end processes. Back-end targeted to reducing costs, improved turnaround and throughput, exception-based solution and faster TAT and Front-end targeting customer experience by providing insights to enhance sales engagement with customer.
- ✓ **Talent:** Transitioned to the new org structure & control process. Revamped Talent Acquisition process with aim of Talent Retention and Talen Development. Institutionalized rewards and recognition system. Promote Inclusive Culture with special emphasis on diversity.
- ✓ **Infrastructure:** Creating additional capacity at first mile and last mile Operating Unit in addition to Super Hubs at Middle Mile.

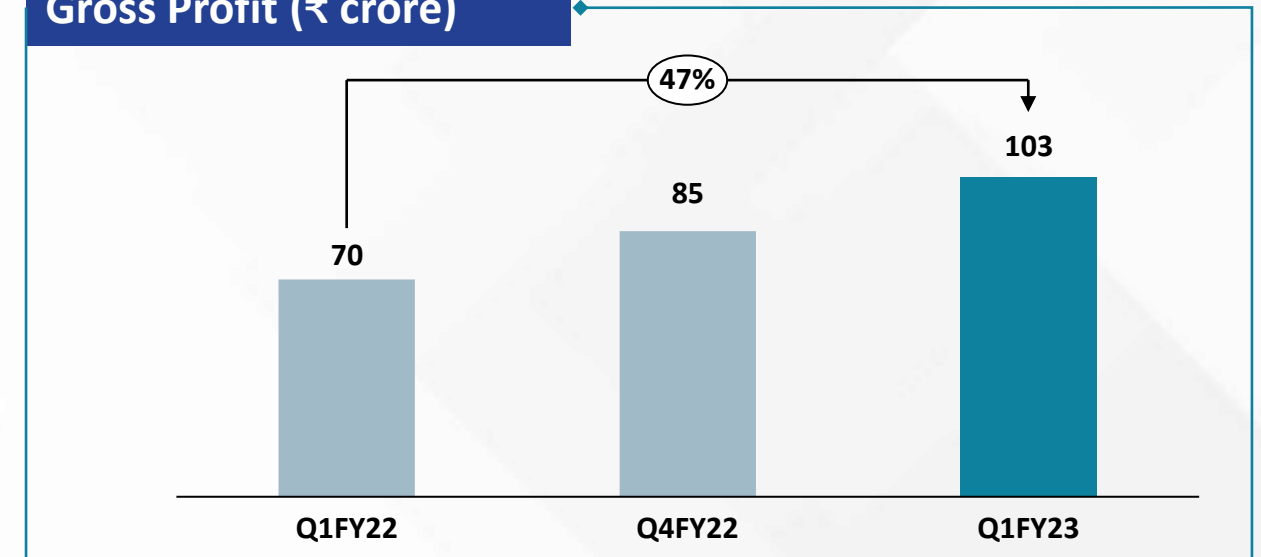
# KEY CONSOLIDATED HIGHLIGHTS – Q1FY23



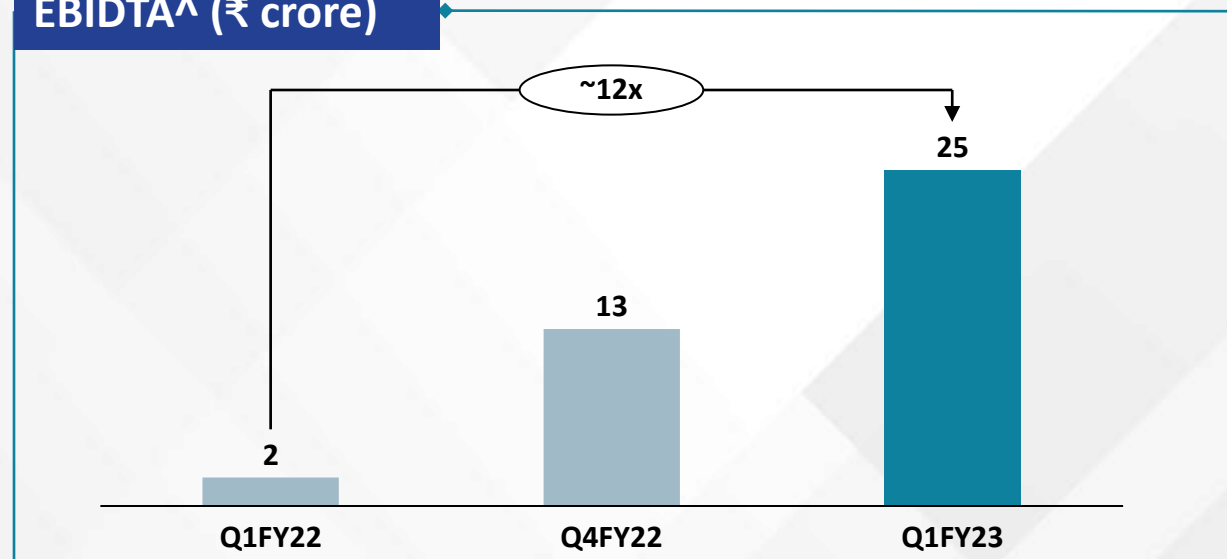
## Revenue (₹ crore)



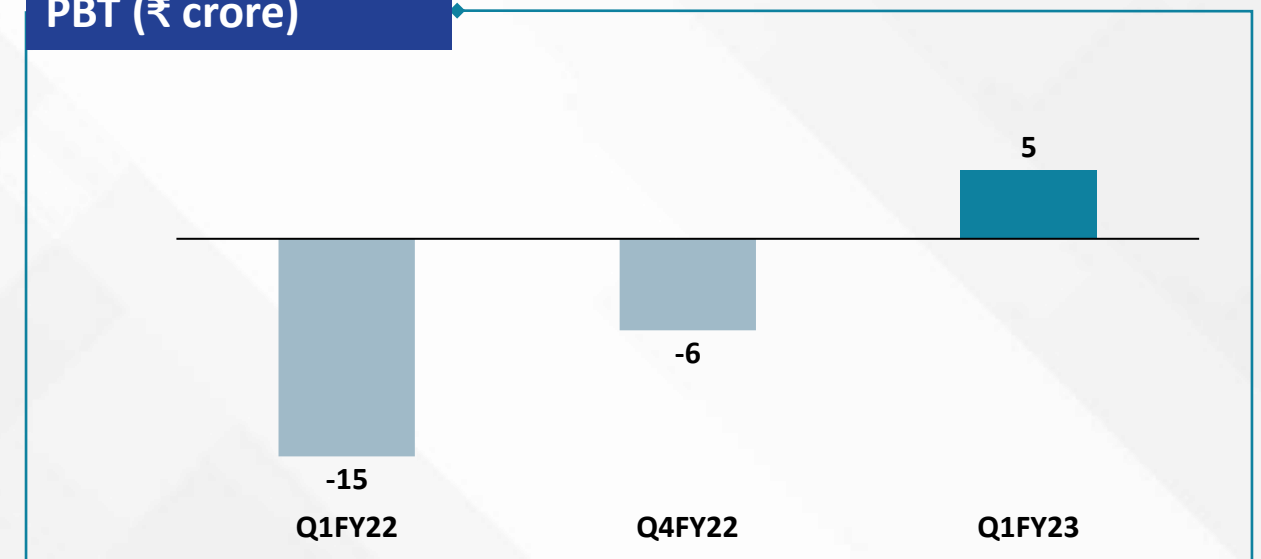
## Gross Profit (₹ crore)



## EBIDTA^ (₹ crore)



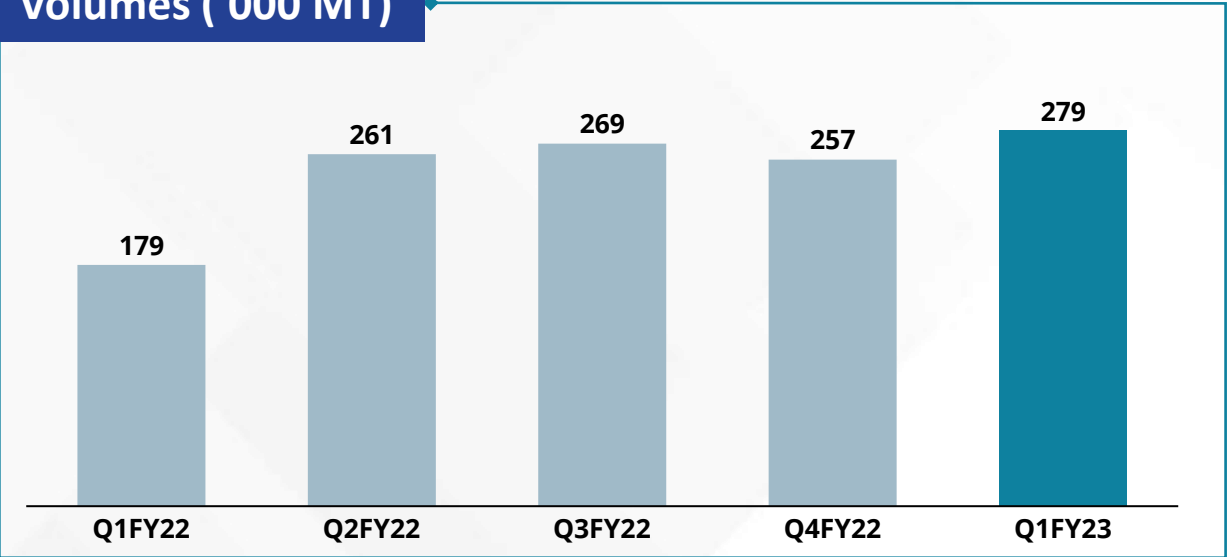
## PBT (₹ crore)



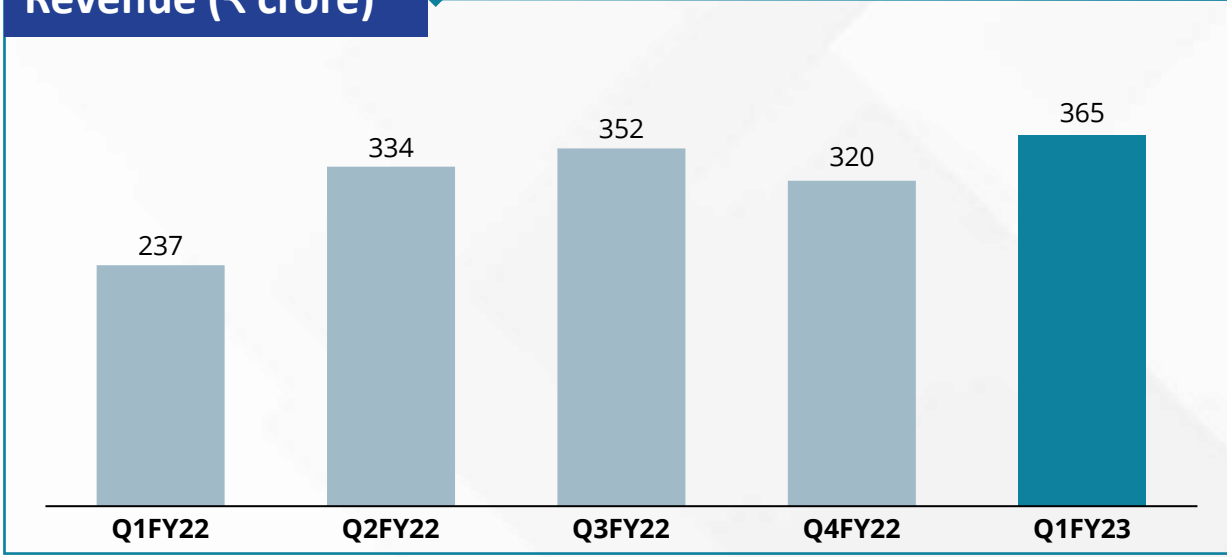
# GKEPL PERFORMANCE – KEY HIGHLIGHTS



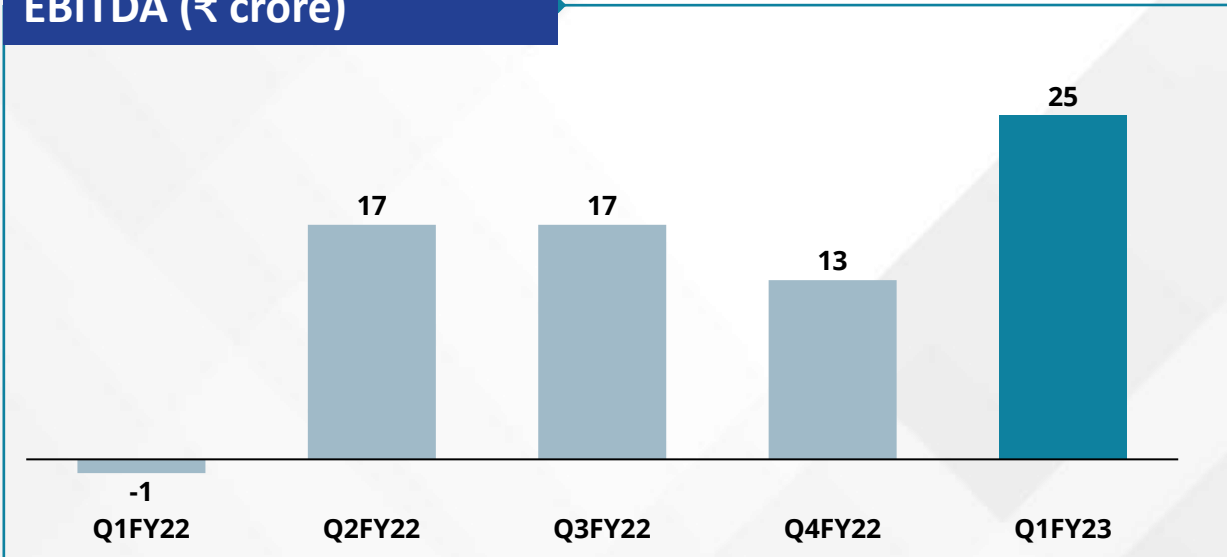
Volumes ('000 MT)



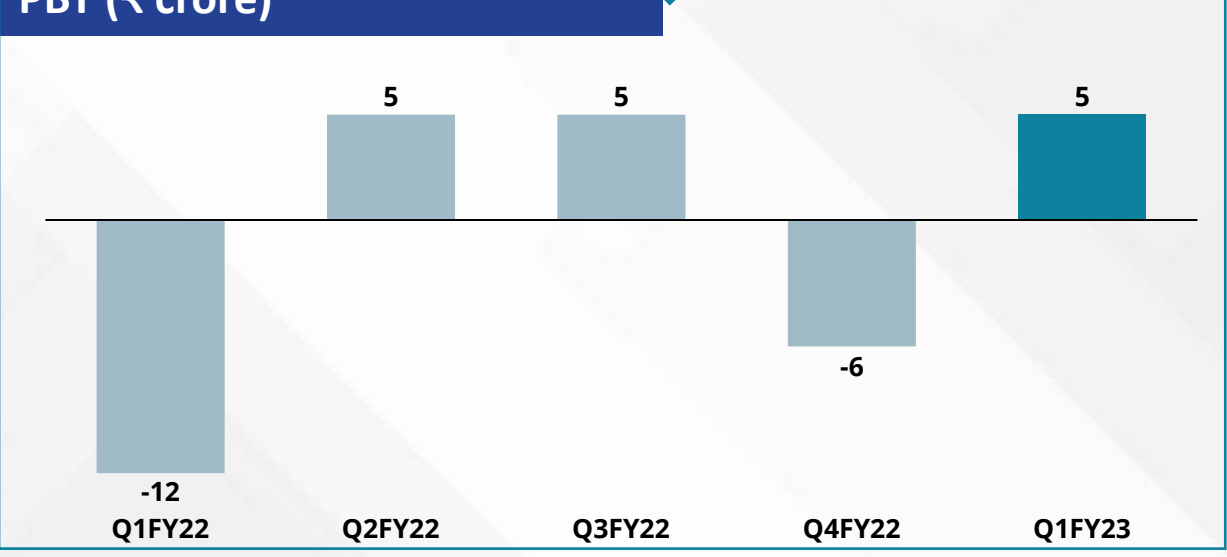
Revenue (₹ crore)



EBITDA (₹ crore)



PBT (₹ crore)



# KEY SEGMENT HIGHLIGHTS - Q1FY23



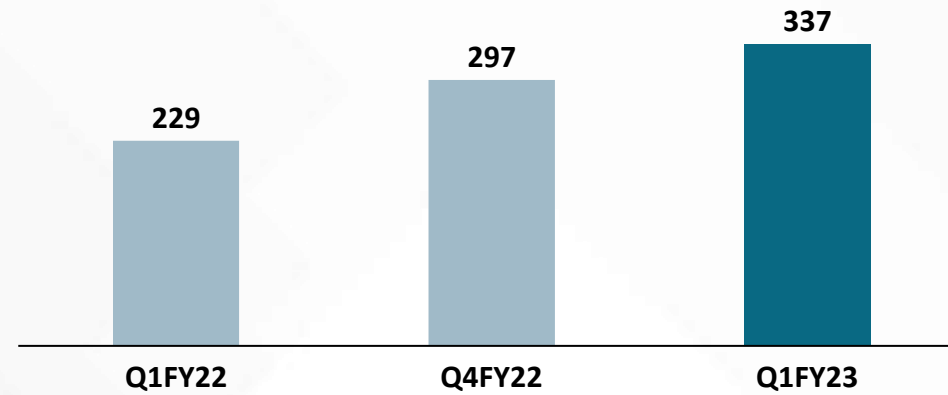
*Surface Express*

*Air Express*

*SCM Revenue*

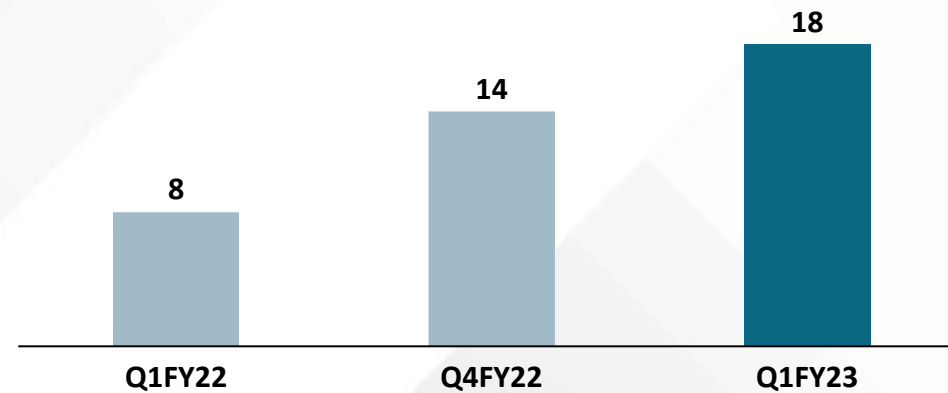
**47%**

Y-o-Y



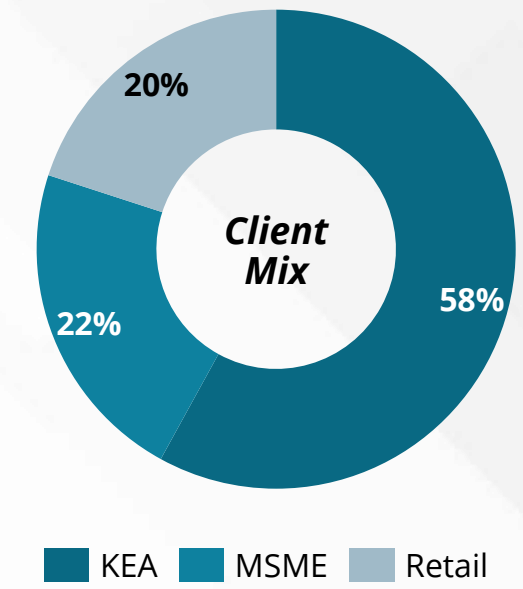
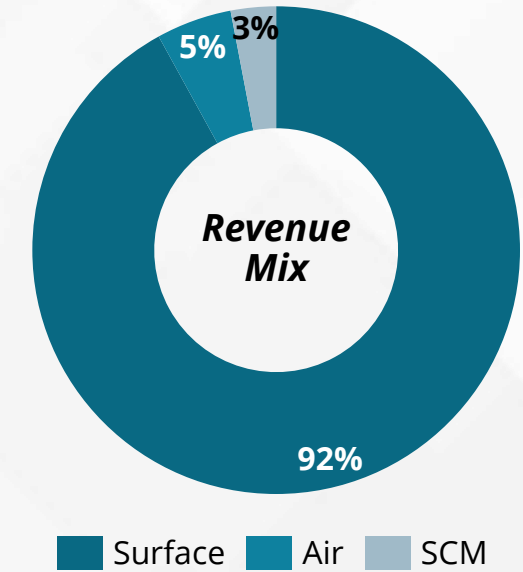
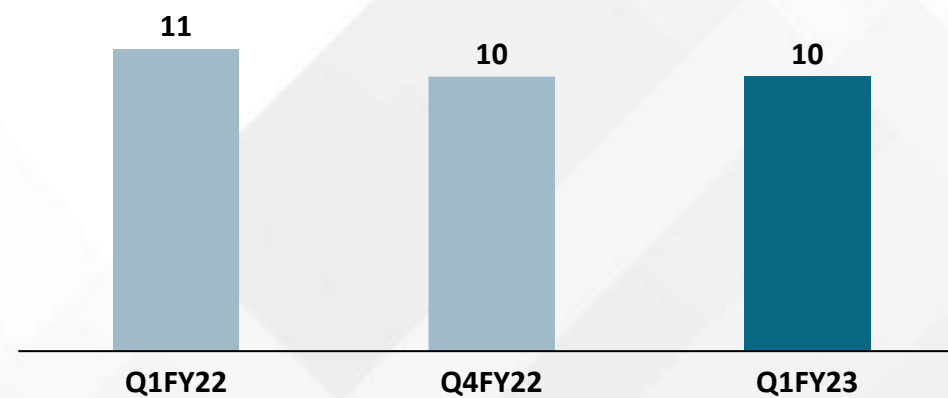
**128%**

Y-o-Y

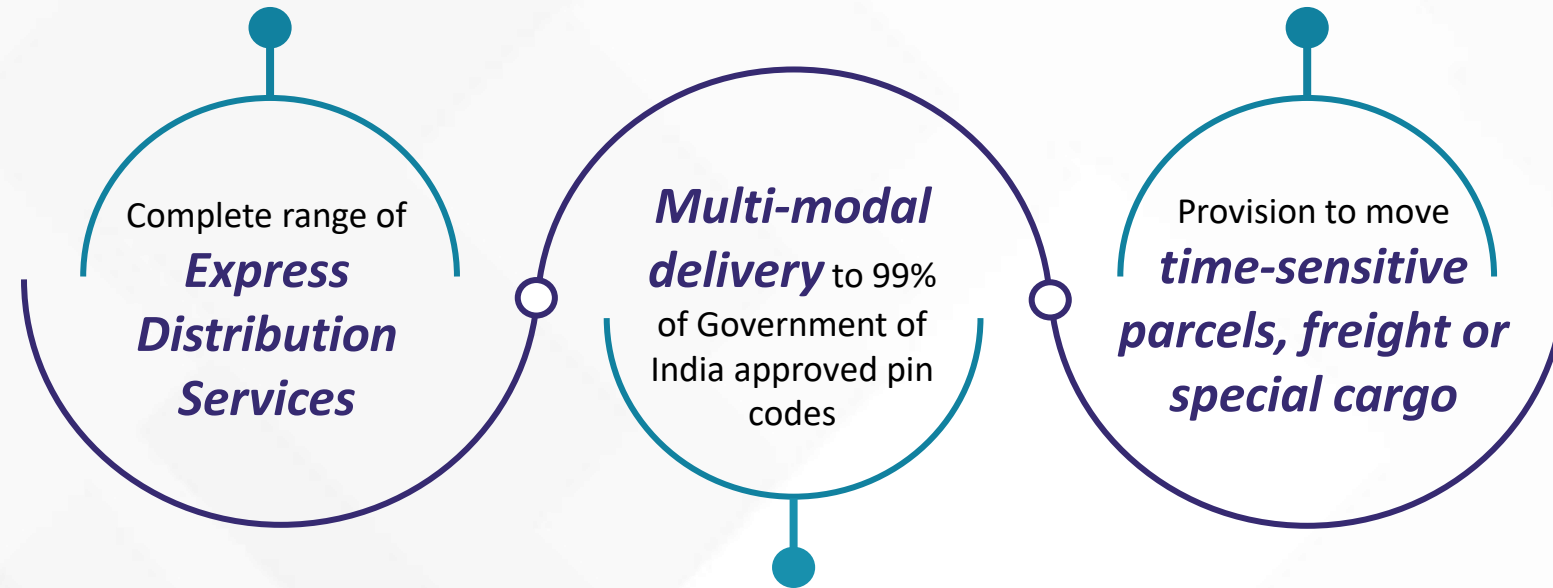


**-10%**

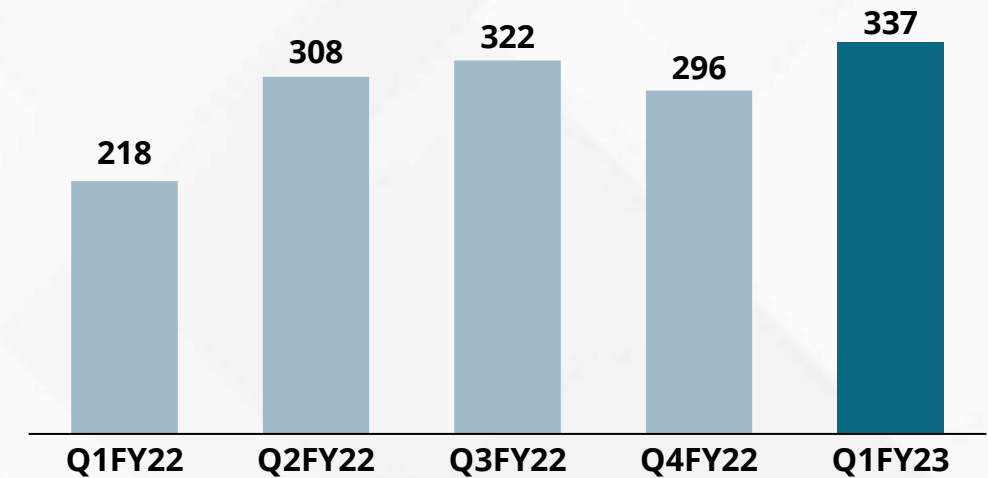
Y-o-Y



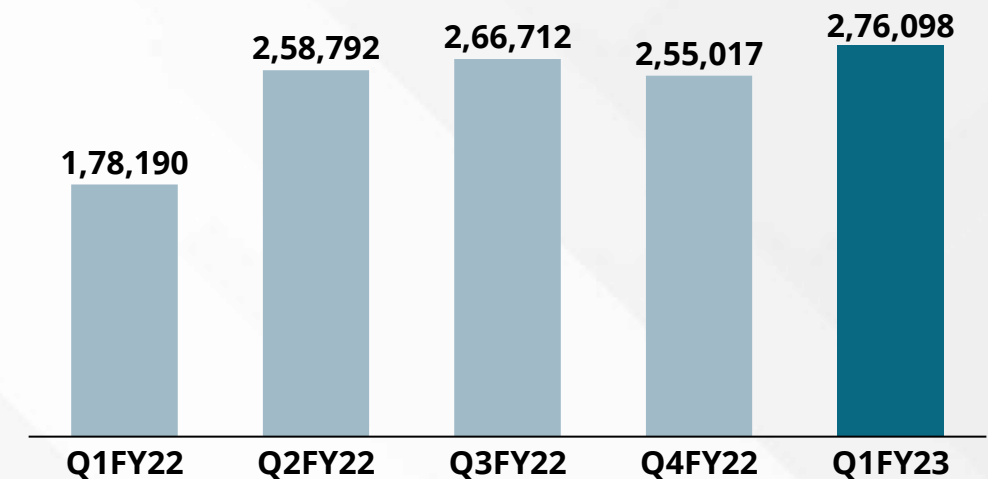
# SURFACE EXPRESS DISTRIBUTION



Revenue (₹ crore)



Tonnage handled (MT)



**Customised**  
end-to-end logistics  
Solutions

Unparalleled reach to over  
**99%** of India's districts

State-of-the-art  
**Tracking** services

**Quick & Trusted**  
claim process

**5,000+**  
Trucks & Rail services

**650+**  
Offices

**Reverse**  
Logistics Expertise

**Guaranteed**  
On-time deliveries





**Direct connectivity** to India's major commercial airports

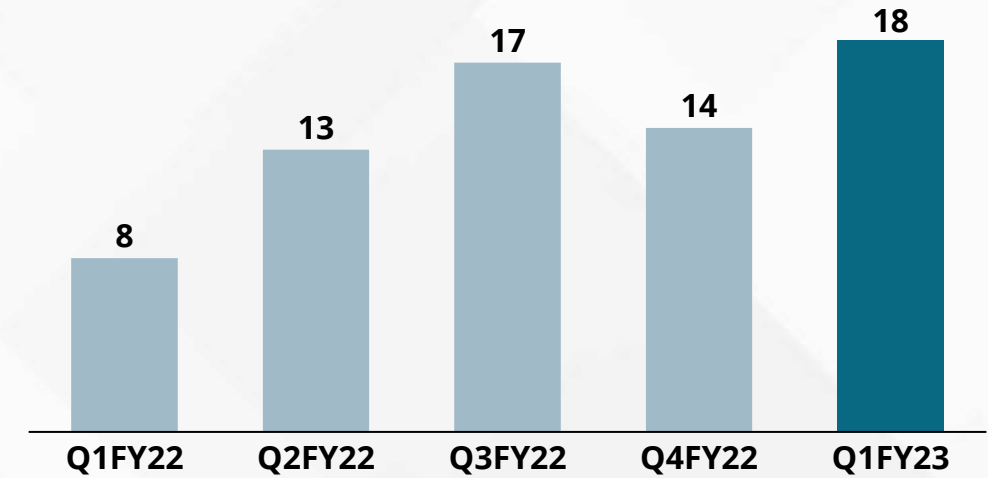
**Customized** solutions for customer's requirement

Unmatched **Convenience** multiple cut-offs, late pickups. Next Day delivery

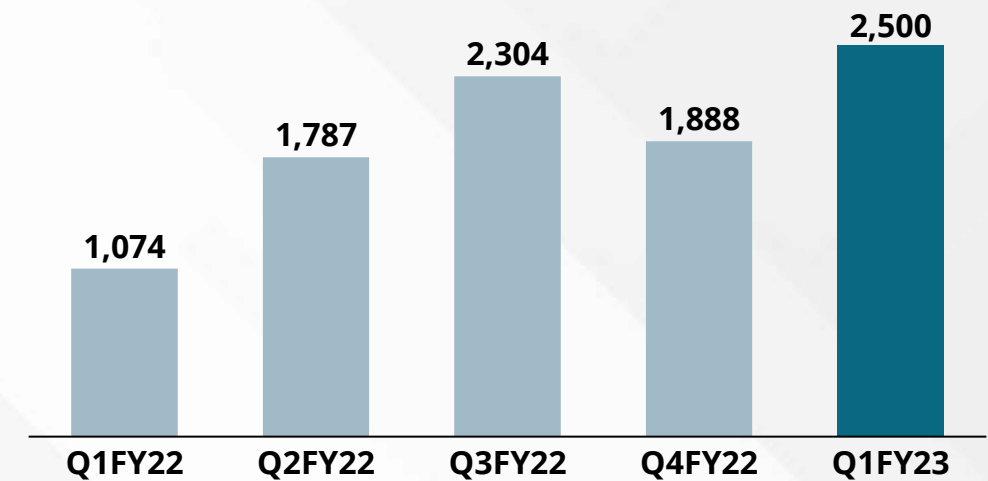
**Trained Staff** for Dangerous Goods

**Tie-up** with India's Leading commercial airline

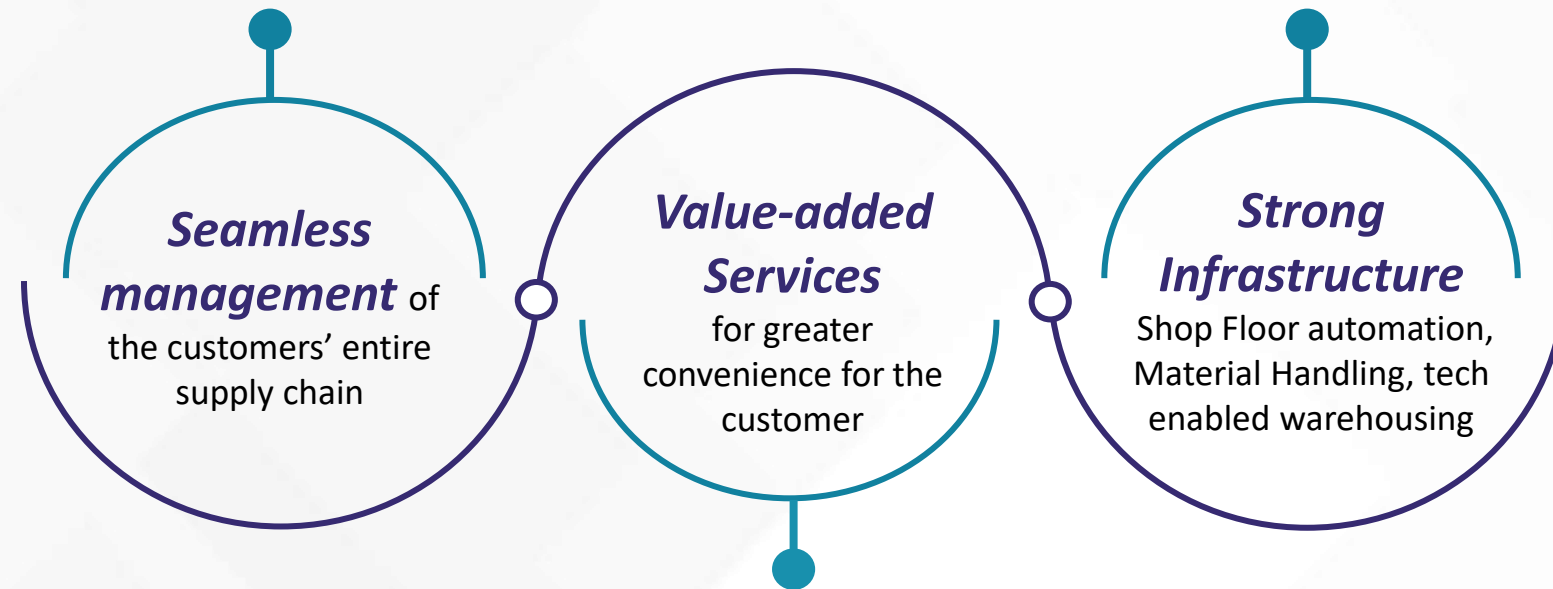
Revenue (₹ crore)



Tonnage handled (MT)



# SUPPLY CHAIN MANAGEMENT SOLUTIONS



Best-in-class **Warehouse Management** System

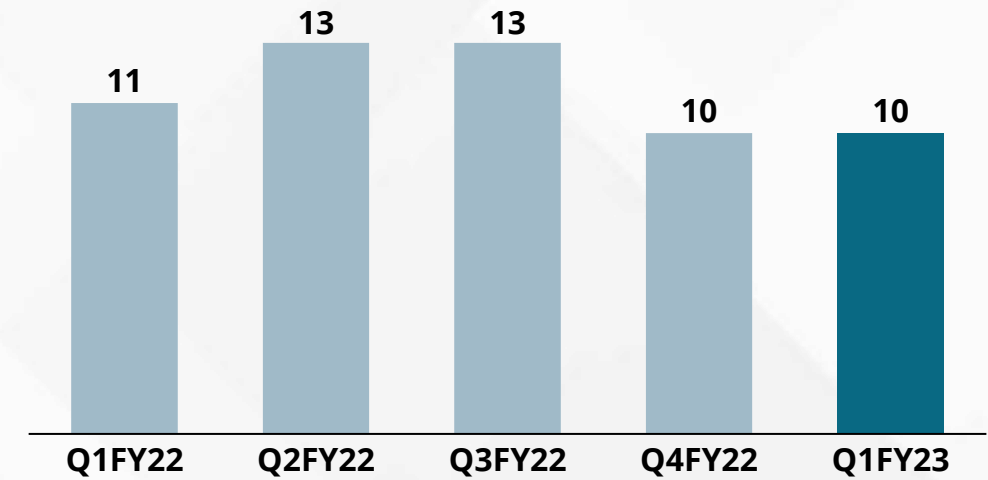
**Integrated** Warehousing and Distribution

Option of **order and inventory**-based models

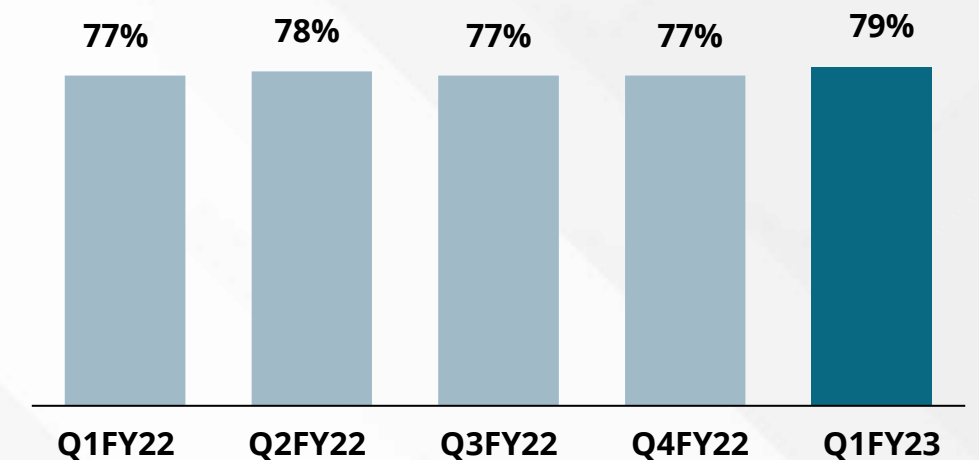
**Inventory & Purchase** order management

**Customized solutions** for multiple industries

Revenue (₹ crore)



Utilization (%)



## Network Leader in Logistics

Pan India  
**+650**  
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.**  
Distribution Centers across  
multiple Locations

Area  
Coverage



**30 Hubs^**

Total  
Hubs^

^ 10 Air Transit Hubs



**300\***  
Global Group offices

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



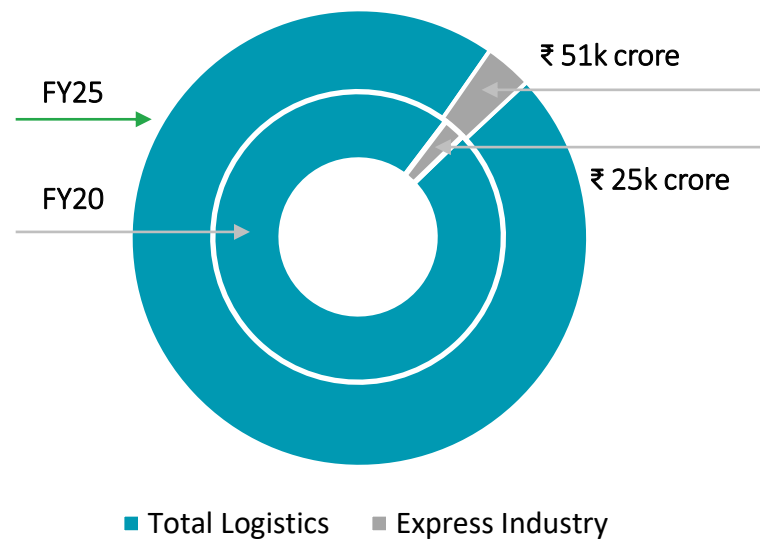
**Major**  
E-Com Companies

# INDUSTRY WITH LIMITLESS OPPORTUNITIES

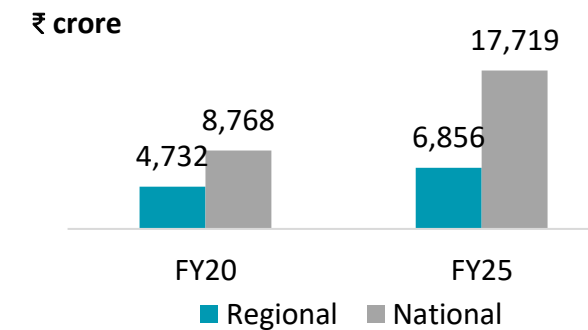
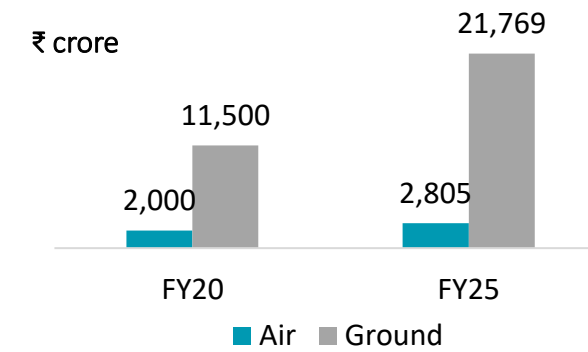
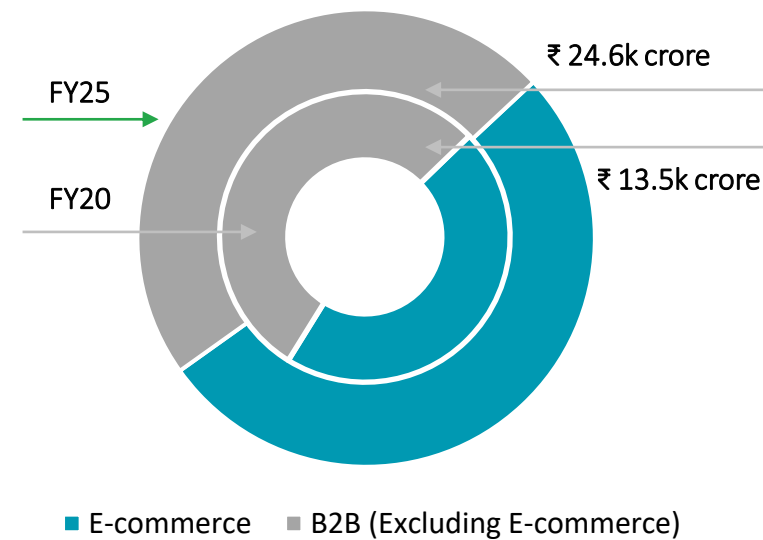


Surface + Air + Ecommerce + Contract Logistics  
Total Available Market is ~Rs 52,500 crs

## Niche Contribution in Logistics Industry



## Accelerated growth Opportunities



Short Term  
**ACHIEVED**

**Maintained/  
Growth in market  
share in FY22**

Medium Term  
**Launchpad  
FY21**

**Grow > Market  
+ Industry margins**

Long Term

**Attain Market  
Leadership**

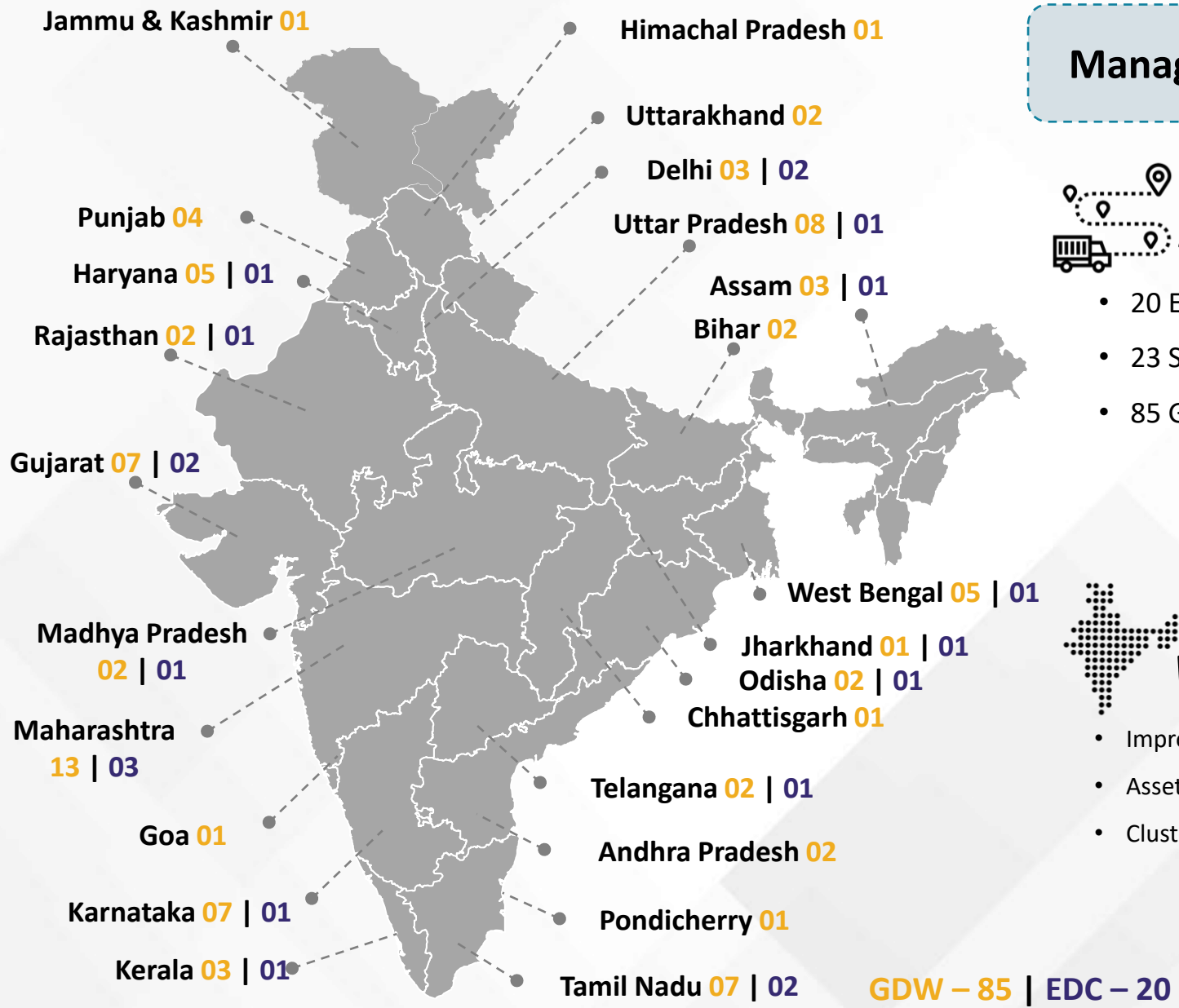
### Management speak

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 would remain key focus

# UNIQUE INTEGRATED NETWORK



## Managing one of the Industry's widest integrated supply chain network



### Line Haul

- 20 Express distribution centers
- 23 Surface Transshipment Hubs
- 85 Gati Distribution Warehouses



### First-Last mile

- ~150 Own customer convenient center
- ~400 Franchisee convenient center
- 99% Pin codes serviced



### Widest Reach

- Improved serviceability through ESS\*
- Asset light approach to service additional locations
- Cluster based approach with MSME at focus



### Strong Partners

- Vendor network of +5000 trucks
- GA's\* further enhancing capacities
- Franchisee based approach

\* ESS: extra service locations, CCCO's/F's: customer convenient centres – own/franchisee, GA: Gati Associate  
 Note: Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness.

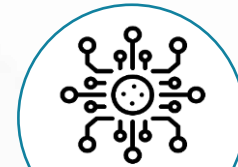
# GATI 2.0 - JOURNEY TO PROFITABLE GROWTH



## INFRASTRUCTURE

**Key Focus Areas:** Accelerating capacity creation to manage higher loads in most efficient manner. Hub modernization and higher automation

**Target:** Industry leading turnaround times and improved service levels



## DIGITIZATION

**Key Focus Areas:** Enhance customer experience and operational excellence on front-end. Seamless integration across various business verticals on the back-end

**Target:** Offer differentiated value-added services to customer. Adapt to technology-based decision making

## SALES ACCELERATION

**Key Focus Areas:** Realignment of sales team structure and targeted approach towards Key Account Management, MSME and Retail.

**Target:** To increase market share & ensure highest standards of customer service



## TALENT POOL

**Key Focus Areas:** Strengthen 2<sup>nd</sup> level to mid-level capabilities through lateral hiring. Attracting best talent locally and globally across all domains

**Target:** Decentralized decision making. Foster entrepreneurial spirits across the entity



DIGITIZATION

INFRASTRUCTURE

SALES ACCELERATION

TALENT POOL

OPERATIONS

## OPERATIONS

**Key Focus Areas:** Streamlining and assessing each line item of P&L. Focused improvement in line-haul and delivery costs through transformation

**Target:** Aim to reduce CPK (cost per kg) and profit maximization. Attain industry level margins



Revenue  
Aspiration  
₹ 3,000 cr  
by 2026

## Back-end

### Pick Up & Delivery automation

- Pickup Registration, Validation, Visibility & Monitoring
- Handheld printers for real time printing of labels
- OCR based invoice reading - digital docket creation
- Volumetric weight calculation – Digital Tapes / Mobile

### Hub Automation

- Dock, Infra & Workforce Management
- Load building, Bin Mapping, Space Management
- Prioritize the load – Route wise / vehicle wise
- Truck Load Visualization / Plan / Prioritization

### Network Decision Support

- Centralized Control Centre
- Bay Management
- Real time Hub/Network Performance
- Notification of Anomalies/

### GEMS\* 2.0

- Activate advanced modules in over 18-24 months
- Integrate with CRM, Finance and other data management tools
- One-click view for performance analysis
- Integrate BI tools for auto report generation and decision

\* GATI Enterprise Management System

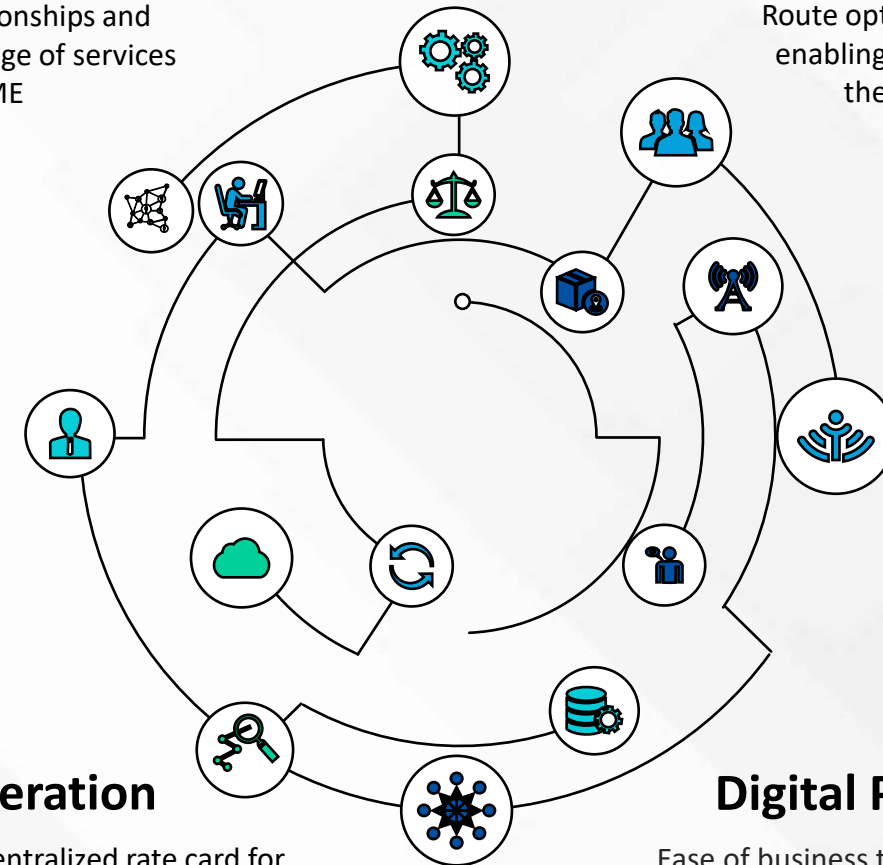
## Front-end

### CRM system

Managing customer relationships and enhances ability to offer range of services to KEA and MSME

### Data Science

Route optimization, Load planning, enabling better service quality at the best possible cost.



### Sales Acceleration

Cluster based approach, centralized rate card for decisions on discounts & dynamic pricing. Central war room managing peak periods. Customer experience enhancement through dedicated portal and chat bot

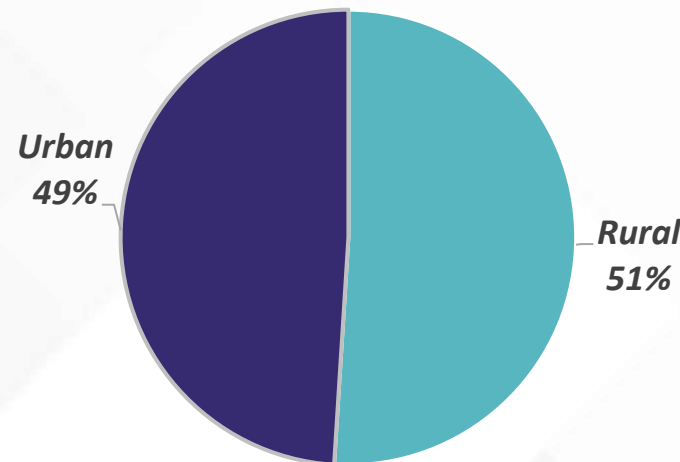
### Digital Payments

Ease of business through digital payment solutions through net-banking, credit cards, debit cards, UPI and digital wallets.

## “FOCUS PYRAMID”



## INDIA REGISTERED MSMEs 63.3 million



## Empowering MSME's to distribute products pan India

- Expand Reach and Jurisdiction
- Catalyze Time-to Market
- Reduce volume of Inventory handled
- Leverage strong networks of Gati
- Outsource Supply Chain Management

## Sales Acceleration Strategy - Collective Intelligence

### Market Identification

Territorial mapping implemented and identified 30 new territories across 3 zones for market entry

Realignment of team basis new territories

### Market Penetration

Centralisation through territory centric approach vs. earlier customer centric approach

Market combing re-conducted for 15 existing markets

### Lost Customer Conversion

Customer loyalty program which has led to higher wallet share and reduce customer attrition

Escalation/consequence mechanism providing clarity

### Faster Customer On-Boarding

Redesign SME incentive policy for faster on-boarding. Incentives directly aligned to BDMs.

Digital on-boarding and faster activation

### Customer Stickiness

Detailed product wise potential & market level understanding for each customer/market

Customize products/offerings and focus on higher wallet share





## “Future Ready”

1 lakh + sq.ft. providing economies of scale



## “Improved Turnaround”

89 docks simultaneously handling 100+ trucks

## Farukh Nagar Mega Hub Unmatched connectivity strengthening leadership

### Upcoming Hubs

#### Location

#### Tentative Timeline

#### West Zone

✓ Farukh Nagar	Q3FY22
Mumbai	Q2FY23
Nagpur	Q3FY23
Indore	Q4FY23
Pune	Q2FY24

#### South Zone

Bangalore	Q3FY23
Hyderabad	Q4FY23
Cochin	Q1FY24



## “Gati Nivas”

Quality of life for workers and drivers



## “Automation”

Ensuring faster loading & unloading

# INFRASTRUCTURE TEMPLATE - FARUKH NAGAR



Particulars	Old Hub	New Hub @ Farukh Nagar
Space in sq. ft	84,000 sq. ft across 3 Warehouses	1,13,000 sq. ft
Bays	56	89
Operations of Vehicles at One Go	56	89
Cross Docking	X	✓
Dock Leveler	X	✓
Consolidation for better CU	X	✓
Improved Planning through IT Integration	X	✓
Streamlining of Operations	X	✓
Direct Route Operations with Segregation	X	✓
Parking & Traffic Management	X	✓
Roof Natural Lighting	X	✓
Proper Ventilation	X	✓
Rainwater Harvesting	X	✓
Connectivity	Old Logistics Congested Area	New Logistics Cluster Park

## Quality Management System

- CRM enabling quality of spend
- Focus on reducing cost per kg (CPK)
- Customer acquisition and retention



01

## Transshipment Centers & Hub

- Hub Modernization & Automation
- Flex Capacity & Peak Planning
- Scalability, Throughput, Cost, Cooling

04

## Build Pick-up & Delivery capacity

- Pick Up & Delivery Automation
- Differentiated solution for high-density locations
- Improve/monitor franchisee performance

02

## Linehaul Centralization & Digitization

- Centralization: Control & Managing Costs
- Network Control Tower
- Digital Decision Support

03

**Continuous Improvement with key operations enablers across the value chain**

# BOARD OF DIRECTORS



**Mr. Shashi Kiran Shetty**

**Chairman & Managing Director**

*A first-generation entrepreneur, visionary leader and turnaround specialist leading Allcargo to next generation of growth*



**Mr. Adarsh Hegde**

**Managing Director**

*Seasoned Logistics professional acclaimed for leading teams in achieving exponential business growth and enhancing customer experience*



**Mr. Yasuyuki Tani**

**Nominee Director**

*Executive officer at KWE, Inc., since 1992. Veteran international freight forwarding and logistics experience of 17+ years.*



**Mr. Kaiwan Kalyaniwalla**

**Non-Executive Director Legal**

*Doyen with extensive experience in Corporate, Commercial & Tax law*



**Mr. Masaru Kobayashi**

**Nominee Director**

*Considerable experience in warehousing and distribution management*



**Ms. Sheela Bhide**

**Independent Director**

*IAS officer acclaimed for heading & executing several critical GoI projects*



**Mr. Nilesh Vikamsey**

**Independent Director**

*Ex-President of ICAI (2017-18) & ex-Chairman of Federal Bank*



**Mr. Dinesh Kumar Lal**

**Independent Director**

*Shipping industry veteran*



**Mr. Vibhu Prakash Annaswamy**

**Nominee Director**

*Accomplished Supply Chain Management professional with experience across the world*



**Mr. Nilesh Vikamsey**

**Independent Director**

*Ex-President of ICAI (2017-18) & ex-Chairman of Federal Bank*



**Ms. Cynthia D'Souza**

**Independent Director**

*Acclaimed Business Strategy and HR & OB transformation expert*



**Ms. Aarthi Shetty**

**Non-Independent Director**

*A leader with strong focus on sustainability and highly regarded for contributions beyond business.*



**Mr. Dinesh Kumar Lal**

**Independent Director**

*Shipping industry veteran and Director at AP Moeller - Maersk and Gujarat Pipavav Port Ltd.*



**Mr. Adarsh Hegde**

Managing Director,  
Gati-KWE

Seasoned Logistics professional acclaimed for leading teams in achieving exponential business growth and enhancing customer experience



**Mr. Pirojshaw (Phil) Sarkari**

Chief Executive Officer

CA by profession with decades of leadership experience along with immense business and Industry knowledge. Known for his instrumental role in setting up UPS and achieved unprecedented growth in Mahindra Logistics.



**Mr. Huafreed Nasarwanji**

Chief Commercial Officer,

Rich industry experience across integrated express, retail, aviation, international forwarding, logistics and supply chains with DHL Worldwide Express, The UPS Store, Deccan Cargo and Mahindra Logistics



**Mr. Anish Matthew**

Chief Financial Officer

Strategic leader with 19+ years of experience in leadership & advisory role across financial & business initiatives, organization transformation and cost reduction.



**Mr. G. S. Ravi Kumar**

Chief Information Officer

IT expert with 20+ years of experience in building and scaling platforms, credited for Developing & implementing a customized ERP solution at GATI



**Mr. Mehernosh N. Mehta**

Chief HR Officer

Rich and diversified experience of 19+ years across Consumer, Pharmaceuticals, Logistics and Engineering sectors with top brands like Asian Paints, Sanofi, Tata Group, Mahindra Logistics and Welspun.



**Mr. Charles Devlin D'Costa**

Chief Supply Chain Officer

Well rounded logistics professional with extensive experience in operations, Network management, Business partner management, Ex-Regional Director at DHL SmarTrucking



**Mr. Mukundan K V**

Chief Risk Officer

3 decades of versatile experience in Manufacturing, Consulting and Service Industries. He is a CA (Rank Holder), CPA (USA), Certified Information System Auditor and a Certified Internal Auditor

GATI's vision is **to maximize value creation for every stratum of society**. Our Corporate Social Responsibility (CSR) programs are **focused on uplifting and bringing a positive change in communities** we operate

Our CSR activities are modelled around **education, skill development, environment and disaster management during natural calamities**.

<b>CSR completed, ongoing &amp; future projects</b>	Jeevan coping Cancer Project	Providing scholarships and counselling to deserving students	Sponsored a young talented lady golfer for the next three years	Tie-ups with different hospitals in Hyderabad, treatment support, along with emotional support
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## Recent Activities

### Gati Government school Banjara hills

- Gati government school at Banjara hills was constructed by Gati in the year 1997 and supporting since 22 years
- **Built with 22 class rooms and 2 staff rooms**
- Ward strength - 1150 Nos. Primary: 630 Nos and High school 520 no's
- Strength increased from 900 students to 1150 over last 2 years

### Gati Manickam Chettiyar Elementary School Nagore

- Gati Manickam Chettiyar Elementary school at Nagore was constructed by Gati in the year 2007 and supporting since 14 years.
- **Built with 18 class rooms**
- Ward Strength – 153 Nos. Primary 134 no's & kindergarten 20 students

## Key Highlights

- **60% student Girls; 40% student Boys**
- Every year Gati support school by distributing exams kits, stationery, school bags, sports kits, sweets on national festivals. Also, Gati have been supporting school transport expenditure and school maintenance activities like wall painting and other construction activities



# CONSOLIDATED PROFIT & LOSS



Particulars (₹ crore.)

	Q1FY23	Q1FY22*	Y-o-Y	Q4FY22	Q-o-Q
<b>Revenue from Operations</b>	<b>431</b>	<b>299</b>	<b>44%</b>	<b>377</b>	<b>14%</b>
Other Income (OI)	6	1		10	
<b>Total Revenue</b>	<b>437</b>	<b>300</b>	<b>46%</b>	<b>387</b>	<b>13%</b>
Direct Overheads	328	229		291	
<b>Gross Profit (excl. OI)</b>	<b>103</b>	<b>70</b>	<b>47%</b>	<b>85</b>	<b>14%</b>
<b>Gross Margin (%)</b>	<b>23.8%</b>	<b>23.4%</b>	<b>40 bps</b>	<b>22.7%</b>	<b>110 bps</b>
Employee Expenses	46	36		42	
Other Expenses	38	33		40	
<b>EBITDA (incl. OI)</b>	<b>25</b>	<b>2</b>	<b>12x</b>	<b>13</b>	<b>84%</b>
<b>EBITDA Margin (%)</b>	<b>5.7%</b>	<b>0.7%</b>	<b>500 bps</b>	<b>3.5%</b>	<b>220 bps</b>
Depreciation	13	8	55%	12	
<b>EBIT</b>	<b>12</b>	<b>(6)</b>	<b>LP</b>	<b>1</b>	<b>~12x</b>
Finance Cost	7	9		7	
<b>Pre-Exceptional PBT</b>	<b>5</b>	<b>(15)</b>	<b>LP</b>	<b>(6)</b>	<b>LP</b>
Exceptional Items	4	(13)		(22)	
<b>Post Exceptional PBT</b>	<b>9</b>	<b>(28)</b>	<b>LP</b>	<b>(28)</b>	<b>LP</b>
Tax	2	(2)		1	
<b>Profit After Tax</b>	<b>7</b>	<b>(25)</b>	<b>LP</b>	<b>(30)</b>	<b>LP</b>

\*Restated

# Thank You



an allcargo company

CIN: L63011TG1995PLC020121  
Mr. Ankit Panchmatia – Investor Relations  
[ankit.panchmatia@allcargologistics.com](mailto:ankit.panchmatia@allcargologistics.com)  
+91 99870 71049

[www.gati.com](http://www.gati.com) | [www.gatikwe.com](http://www.gatikwe.com)

**SGA** Strategic Growth Advisors

CIN: U74140MH2010PTC204285  
Mr. Jigar Kavaiya / Mr. Sagar Shroff  
[jigar.kavaiya@sgapl.net](mailto:jigar.kavaiya@sgapl.net) / [sagar.shroff@sgapl.net](mailto:sagar.shroff@sgapl.net)  
+91 9920602034 / +91 9820519303

[www.sgapl.net](http://www.sgapl.net)