February 13, 2012

To
The Secretary,
The Department of Corporate Services
Bombay Stock Exchange Limited Ltd
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

To
The Listing Department,
National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra Kurla Complex, Bandra (E), Mumbai
Pin Code 400 051.

Sub: Outcome of the Board Meeting-reg
Ref: Stock Code: BSE: 532345 and NSE: GATI

Dear Sir/Madam,

We hereby inform that the Board of Directors in its meeting held today, considered and approved to transfer Company's 'Express Distribution and Supply Chain' Division or substantial part thereof to Redsun Supply Chain Solutions Ltd. ("Redsun") currently a wholly owned subsidiary of the Company. The Division will be transferred on a going concern basis under a Business Transfer Agreement (BTA), along with associated assets, liabilities and employees, subject to the approvals of shareholders of the Company and statutory /regulatory / other authorities, as may be required.

The Board has also approved today the proposal that following the transfer of Division, the Company's entering into a strategic joint venture with Kintetsu World Express("KWE"), a Japanese Global Logistics Company for the Express Distribution and Supply Chain business in India. The joint venture is to bring together Company's market leadership position in express distribution and supply chain services in India and KWE's large base of global logistics customer and expertise in meeting the supply chain requirements of global corporations. The Company would hold 70% of Redsun ("JV Company") and KWE to hold 30%(20% through primary subscription and 10% through acquiring shares held by Gati in JV Company). KWE will invest Rs. 2,677 Mn for its 30 per cent stake in the JV. The funds raised from the transaction will be primarily used to reduce debt. Mr. Mahendra Agarwal, the current CEO of the Company would continue to provide leadership to the JV Company also.

The press communication being released by the Company in connection with the above transaction is enclosed.

Kindly take this information on your records.

Thanking you

Yours faithfully

For **Gati Limited**

Company Secretary