12 February 2014

Singapore Exchange Limited
2 Shenton Way
#19-00 SGX Centre 1
Singapore 068804
Tel. (65) 6236 8888
Fax. (65) 6535 6994

The Listing Department
Bombay Stock Exchange Limited
Phizore Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001
Scrip Code 532345

The Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai - 400 051
Symbol: Gati

Dear Sir,

Ref : Updates on Foreign Currency Convertible Bonds ("**FCCBs**") issued by Gati Limited ("**Company**").

- As you are aware that, Company had issued FCCBs aggregating to US$ 22,182,000. The FCCBs were allotted LRN 201112105 by the Reserve Bank of India ("**RBI**") on 7 December, 2011.

- In response to Company's application to buyback FCCBs upto USD 5 million, the RBI by its letter dated 27 September 2013, while granting it's no objection to the Company to buyback, advised that, the Company "was not an eligible borrower under the automatic route and borrowing will be treated as debt". The RBI letter also mentioned that, Company may be allowed repayment based on the compounding order issued by the RBI.

- Thereafter, the Compounding Authority of RBI passed compounding orders on 12 December 2013 and compounded the matter in respect of the FCCBs. Accordingly, the Compounding Authority directed the Company to pay an aggregate amount of INR 2,95,90,000.

  In response to this, the Company filed a Writ Petition bearing No. 37970 of 2013 before the Hon'ble High Court of Andhra Pradesh, India against the Department of Economic Affairs, Ministry of Finance and the RBI. The Hon'ble High Court of Andhra Pradesh by its order dated 24 December 2013, *inter alia*, was pleased to grant interim suspension to the operation of aforesaid orders of the Compounding Authority of the RBI, subject to certain conditions.

- On 11 February 2014, the Company has received a disclosure under regulation 29 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, from Goldman Sachs International ("**GSI**") intimating the Company about sale of USD 2,000,000 FCCBs of the Company. In terms of the said disclosure, GSI continues to hold USD 20,182,000 FCCBs of the Company.

- The Company has received a conversion notice dated 11 February 2014 in respect of 2,000 FCCBs convertible into the equity shares of the Company to be registered in the name of Credit Industriel ET Connergal, France (Custodian – Standard Chartered Bank, 23-25, MG Road, Mumbai, India).

In view of the above, the Company is unable to act upon the said conversion notice. The Company will keep you posted about any further developments in this regard.

For **Gati Limited**

Name **VSN Raju**
Designation **Company Secretary**