



Gati announces successful closing of its FCCB Issue

Hyderabad December 12, 2011: Gati Ltd. has informed the BSE/ NSE today that the Company has successfully closed the re-issue of its Foreign Currency Convertible Bonds ("FCCBs") aggregating to USD 22,182,000 as on December 12, 2011 with Goldman Sachs International.

The company has issued zero coupon FCCBs aggregating USD 22,182,000 to Goldman Sachs International with a yield to maturity of 5.76% p.a. compounding semiannually, having a maturity of 5 years.

The new FCCBs are proposed to be listed on the Singapore Stock Exchange and the proceeds from this Issue are being utilized towards redemption of the outstanding portion of the US\$ 20 million foreign currency convertible bonds raised in 2006 which are due for redemption in December 2011.

ICICI Securities Inc. acted as the Lead Manager and Rajani Associates was the Legal Counsel to the FCCB Issue. DBR Credit Capital acted as advisor to the Issue.

The new Bonds envisages structured conversion mechanism at premium over the reference price determined in accordance with the requirements of the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, with company having Right to Buy Back (Option) the bonds. Further, the initial conversion price can be reset upwards on the infusion of equity through strategic partner/ investor.

Speaking on the occasion, Managing Director and CEO Mr. Mahendra Kumar Agarwal said, 'The funds raised from the new FCCBs are being utilized to refinance the existing FCCBs and have helped company to meet its obligation well in time.

About Gati Limited:

Gati Limited was the pioneer and is now the leader in Express Distribution and Supply Chain Solutions in India. Having started as a cargo management company in 1989, Gati has grown into an organization with more than 3500 employees and an annual turnover of Rs 12094 mn covering 622 out of 626 districts in India. Gati has over 4500 vehicles on the road not including their fleet of refrigerated vehicles, container shipping vessels and world class warehousing facilities across India. Furthermore Gati has a strong market presence in the Asia Pacific region and SAARC countries. Today, Gati has offices in Singapore, Beijing, Shanghai, Qingdao, Hong Kong, Bangkok, Kuala Lumpur and Dubai apart from SAARC countries that concentrate on India- centric distribution solutions.