



CHOWGULE STEAMSHIPS LTD.

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17th December, 2012

Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Dear Sir,

Sub: Expansion of Fleet by WOS- Investment in Subsidiary


Chowgule Steamships Overseas Limited (CSOL) a wholly owned overseas subsidiary of the Company, is implementing a plan for expansion of its fleet through acquisition of new built vessels. In order to meet the funding requirements of CSOL for the said acquisition, the Company subscribed to the Convertible Redeemable Shares (CRS) of CSOL only for an amount of US \$ 5.50 Million. The balance fund requirements of CSOL of US \$ 9 Million were met through subscription for CRS received from another company in the group.

The said CRS are zero coupon convertible redeemable shares of US \$ 1 each with maturity of 10 years. Each CRS can be converted by holder into one ordinary share at any time before the end of tenure. Further, CSOL also has a right to convert or redeem the CRS after the tenure is over, in case if the same are not converted earlier by the holder thereof. The unconverted CRS are liable to be redeemed at a redemption price of US \$ 1.10 per CRS. If such conversion of CRS allotted to persons other than the Company takes place, then the shareholding percentage of the Company in the equity of CSOL will reduce to that extent.

This is for your information please.

Thanking you,

Yours truly,
For **Chowgule Steamships Limited**


Suhas Joshi
Company Secretary