Arshiya
Complex is simple

10th February, 2014

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot C/1, G-Block,
Bandra-Kurla Complex,
Bandra (East)
Mumbai – 400 051
Fax: 2659 8237/38

Corporate Relationship Department
The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Fax No. 2272 3121/2037

Re: Arshiya Limited - NSE Scrip Name: ARSHIYA
BSE Scrip Code: 506074

Sub: Proceedings of Board Meeting held on 10th February, 2014

Dear Sirs,

This is to inform you that the Board of Directors of the Company at its meeting held today, have considered, approved and taken on record the Unaudited Financial Results (Standalone) for the third quarter ended 31st December, 2013.

Pursuant to Clause 41 of the Listing Agreement enclosed please find the Unaudited Financial Results (Standalone) for your information and record.

Kindly acknowledge receipt

Thanking you.
Yours faithfully,

For Arshiya Limited

Arshiya Limited Mumbai

Shyam Rathi
CFO & Compliance Officer

Arshiya Limited
(Formerly known as Arshiya International Limited)
Registered Office: - 402, Level 4, Ceejay House, F- Block,
Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai – 400 018.
T: +91 22 42305400/01 **F:** +91 22 4230 5476
info@arshiyalimited.com I www.arshiyalimited.com

PKF SRIDHAR & SANTHANAM
Chartered Accountants

Review Report

To

The Board of Directors,
Arshiya Limited

We have reviewed the accompanying statement of 'Un-audited financial results' of **M/s Arshiya Limited** for the quarter and nine months ended December 31, 2013 hereinafter referred to as 'Statement' except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding" which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. This Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India. Our responsibility is to issue a report on this statement based on our limited review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Without qualifying our report, we draw your attention to the following:

(i) Note 3 of the Statement, relating to remuneration paid/provided to Chairman and Managing Director of the Company in excess of the limits prescribed by the Companies Act 1956 which is pending for approval from Central Government.

(ii) Note 4 of the Statement, regarding severe financial stress on the Company. Management believes, considering the Corporate Debt Restructuring being carried out and Master Restructuring Agreement executed with all the banks except one bank, it shall continue as a viable unit.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement prepared, fairly in all material aspects, in accordance with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section133 of the Companies Act, 2013 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement, *except for the following:*

PKF SRIDHAR & SANTHANAM
CHARTERED ACCOUNTANTS

201, 2nd Floor, Centre Point Building, Dr. Ambedkar Road, Opp. Bharatmata Cinema, Parel, Mumbai - 400 012.
Tel : 2417 0163 / 67• E-mail : mumbai@pkfindia.in

Head Office : KRD Gee Gee Crystal, No. 91/92, 7th Floor, Dr. Radha Krishnan Salai, Mylapore, Chennai - 600 004. Landmark Sri Krishna Sweets
Phone : 2811 2985 / 86 / 87 / 88 Fax : 2811 2989 Email : admin@pkfindia.in Web : www.pkfindia.in

a) *Not accounting the Mark-to-Market (MTM) gain of Rs 468.17 lakhs for the quarter and loss of Rs 3,980.18 lakhs for the nine months on derivatives due to adoption of spot exchange rate instead of MTM position obtained from the bankers.*

b) *Had the observations made by us above in a) been considered by the Company, the loss for the quarter would have been Rs 8,406.30 lakhs (as against the reported figure of Rs 8,874.47 lakhs) and for the nine months would have been Rs 25,583.49 lakhs (as against the reported figure of Rs 21,603.31 lakhs), reserves & surplus would have been lower by Rs 3,980.18 lakhs, and short-term provisions would have been higher by the same amount. Accordingly, EPS for the quarter would have been negative Rs (13.58) (as against the reported figure of negative Rs (14.34)) and for the nine months would have been negative Rs (41.34) (as against the reported figure of negative Rs (34.91)).*

For **PKF Sridhar & Santhanam**
Chartered Accountants
Firm Regn. No. 003990S



Ramanarayanan J
Partner
Membership No. 220369

Place: Mumbai
Date: February 10, 2014

Arshiya Limited

Registered Office : 402-403,Level 4, Ceejay House, Shiv Sagar Estate, F-Block, Dr.Annie Besant Road,Worli, Mumbai - 400018.

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2013

(Rs In Lacs)

Sr.No.		Quarter Ended			Nine Months Ended		Year Ended
		31.12.2013 (Unaudited)	30.09.2013 (Unaudited)	31.12.2012 (Unaudited)	31.12.2013 (Unaudited)	31.12.2012 (Unaudited)	31.03.2013 (Audited)
1	**Income from operations**						
	(a) Income from operations	6,169.63	7,667.92	20,078.75	23,070.15	60,035.65	70,097.09
	(b) Other operating income	-	-	-	-	-	17.97
	Total income from operations (net)	**6,169.63**	**7,667.92**	**20,078.75**	**23,070.15**	**60,035.65**	**70,115.06**
2	**Expenses**						
	(a) Cost of operations	4,936.18	6,529.68	13,948.91	19,349.42	40,354.30	49,662.18
	(b) Employee benefits expense	378.47	418.13	658.33	1,162.69	2,835.23	3,254.67
	(c) Depreciation and amortization expense	469.13	468.05	532.60	1,432.51	1,466.53	1,990.84
	(d) Other expenses	2,735.72	4,570.05	1,210.34	10,696.55	3,255.21	4,198.92
	Total expenses (a+b+c+d)	**8,519.50**	**11,985.91**	**16,350.18**	**32,641.17**	**47,911.27**	**59,106.61**
3	**Profit/ (Loss) from operations before other income, finance costs and exceptional items (1-2)**	**(2,349.87)**	**(4,317.99)**	**3,728.57**	**(9,571.02)**	**12,124.38**	**11,008.45**
4	Other Income	2.36	0.14	62.17	43.08	2,307.47	2,317.00
5	**Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)**	**(2,347.51)**	**(4,317.85)**	**3,790.74**	**(9,527.94)**	**14,431.85**	**13,325.45**
6	Finance costs	4,929.89	3,558.17	3,432.99	11,929.64	9,769.59	13,221.67
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)**	**(7,277.40)**	**(7,876.02)**	**357.75**	**(21,457.58)**	**4,662.26**	**103.78**
8	Exceptional Items	57.42	(361.32)	448.13	174.79	448.13	**1,542.95**
9	**Profit / (Loss) from ordinary activities before tax (7-8)**	**(7,334.82)**	**(7,514.70)**	**(90.38)**	**(21,632.37)**	**4,214.13**	**(1,439.17)**
10	Tax expense (Current Tax, MAT Credit and Deferred Tax)	1,539.65	-	85.03	(29.06)	1,464.19	(38.67)
11	**Net profit/ (Loss) for the period (9-10)**	**(8,874.47)**	**(7,514.70)**	**(175.41)**	**(21,603.31)**	**2,749.94**	**(1,400.50)**
12	**Paid-up equity share capital (Face value per share Rs.2/-)**	**1,237.59**	**1,237.59**	**1,237.59**	**1,237.59**	**1,237.59**	**1,237.59**
13	**Reserves excluding Revaluation Reserves**						**53,784.56**
14	**Earning Per Share (EPS)**						
	EPS before & after Extraordinary items (not annualised)						
	- Basic	(14.34)	(12.14)	(0.29)	(34.91)	4.62	(2.33)
	- Diluted	(14.34)	(12.14)	(0.29)	(34.91)	4.62	(2.33)
15	**Public shareholding**						
	- Number of Shares	**3,90,59,247**	**3,90,59,247**	**3,25,94,762**	**3,90,59,247**	**3,25,94,762**	**3,90,09,247**
	- Percentage of Shareholding	**63.12%**	**63.12%**	**52.67%**	**63.12%**	**52.67%**	**63.04%**
16	**Promoters & Promoter Group Shareholding**						
	a) Pledged/Encumbered						
	- Number of Shares	**1,57,70,225**	-	**1,91,59,000**	**1,57,70,225**	**1,91,59,000**	**46,10,000**
	- Percentage of shares (as a % of the total shareholding of promoter & promoter group)	**69.11%**	-	**65.42%**	**69.11%**	**65.42%**	**20.16%**
	- Percentage of shares (as a % of the total share capital of the company)	**25.49%**	-	**30.96%**	**25.49%**	**30.96%**	**7.45%**
	b) Non Encumbered						
	- Number of Shares	**70,50,000**	**2,28,20,225**	**1,01,25,710**	**70,50,000**	**1,01,25,710**	**1,82,60,225**
	- Percentage of shares (as a % of the total shareholding of promoter & promoter group)	**30.89%**	**100.00%**	**34.58%**	**30.89%**	**34.58%**	**79.84%**
	- Percentage of shares (as a % of the total share capital of the company)	**11.39%**	**36.88%**	**16.36%**	**11.39%**	**16.36%**	**29.51%**
17	**Investor Complaints**			**For the quarter ended December 31, 2013**			
	Pending at the beginning of the quarter			**Nil**			
	Received during the quarter			**1**			
	Disposed of during the quarter			**1**			
	Remaining unresolved at the end of the quarter			**Nil**			

Arshiya Limited Mumbai

Arshiya Limited

Registered Office : 402-403,Level 4, Ceejay House, Shiv Sagar Estate, F-Block, Dr.Annie Besant Road,Worli, Mumbai - 400018.

STANDALONE UNAUDITED SEGMENTWISE REPORT FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2013

(Rs In Lacs)

Sr.No.		Quarter Ended			Nine Months Ended		Year Ended
		31.12.2013 (Unaudited)	30.09.2013 (Unaudited)	31.12.2012 (Unaudited)	31.12.2013 (Unaudited)	31.12.2012 (Unaudited)	31.03.2013 (Audited)
1	**Segment Revenue**						
	Logistics	5,012.66	6,635.77	15,928.38	19,752.78	48,367.24	57,376.13
	Free Trade Warehousing Zones	1,156.98	1,032.15	4,150.37	3,317.37	11,668.41	12,738.93
	TOTAL	**6,169.64**	**7,667.92**	**20,078.75**	**23,070.15**	**60,035.65**	**70,115.06**
2	**Segment Results**						
	Profit Before Tax and Interest						
	Logistics	(2,060.48)	(2,406.58)	1,806.56	(4,238.43)	7,228.38	6,838.53
	Free Trade Warehousing Zones (*)	448.87	(1,227.84)	3,232.64	(3,094.71)	8,799.28	9,369.46
	Unallocated	(776.32)	(727.71)	(1,373.90)	(2,346.57)	(4,191.88)	(5,658.04)
	TOTAL	**(2,387.93)**	**(4,362.13)**	**3,665.30**	**(9,679.71)**	**11,835.78**	**10,549.95**
	Less : Interest Expenses (Net)	4,889.47	3,513.89	3,307.55	11,777.87	7,173.52	10,446.17
	Profit /(Loss) Before Tax and exceptional items	**(7,277.40)**	**(7,876.02)**	**357.75**	**(21,457.58)**	**4,662.26**	**103.78**
	Less : Exceptional Items	57.42	(361.32)	448.13	174.79	448.13	1,542.95
	Profit / (Loss) from ordinary activities before tax	**(7,334.82)**	**(7,514.70)**	**(90.38)**	**(21,632.37)**	**4,214.13**	**(1,439.17)**
	Less : Tax Expenses	1,539.65	-	85.03	(29.06)	1,464.19	(38.67)
	Net profit/ (Loss) for the period	**(8,874.47)**	**(7,514.70)**	**(175.41)**	**(21,603.31)**	**2,749.94**	**(1,400.50)**
3	**Capital Employed**						
	Logistics	29,420.41	31,580.06	31,589.85	29,420.41	31,589.85	31,340.18
	Free Trade Warehousing Zones	39,877.73	38,911.63	46,154.94	39,877.73	46,154.94	43,402.76
	Unallocated	(27,432.82)	(19,751.88)	(14,662.23)	(27,432.82)	(14,662.23)	(11,359.92)
	TOTAL	**41,865.32**	**50,739.81**	**63,082.56**	**41,865.32**	**63,082.56**	**63,383.02**

(*) Profit for the Quarter ended 31.12.2013 includes MTM gain of Rs 237.19 Lacs (Previous quarter loss of Rs.1440.67 Lacs) as per Note No :6

Arshiya Limited Mumbai

Arshiya Limited

Registered Office : 402-403,Level 4, Ceejay House, Shiv Sagar Estate, F-Block, Dr.Annie Besant Road,Worli, Mumbai – 400018.

Notes to Standalone Results :

1) The above financial results for the quarter ended December 31, 2013 have been reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on February 10, 2014.

2) The Statutory Auditors of the company have carried out a limited review of the Standalone Unaudited Financial Results for the quarter and nine months ended December 31, 2013.

3) The Company has applied to Central Government for approving the excess remuneration paid/payable to Chairman and Managing Director for Financial Year 2012-13 and 2013-14. Provision for the nine months has been made on the basis of application made to Central Government. However in view of difficult financial condition faced by the Company, Chairman and Managing Director has not drawn the remuneration. The Auditors have drawn attention to this in their Review Report.

4) The Company is under severe financial stress which is reflected by increased trade receivables and payables and majority of them are overdue, the workforce downsized and full & final settlement of resigned employees is provided for and is in arrears to the extent of Rs. 451.53 Lacs, its delayed and non-payment of dues (interest and repayment of borrowings) to Banks, a Non Banking Finance Company and a Financial Institution of Rs. 21,758.77 Lacs (including interest), short-term funds are used for long –term purposes, statutory dues i.e. income tax deducted at source, Work Contract tax and Provident Fund are in arrears to the extent of Rs. 1,555.57 Lacs and certain lenders have filed court cases against the company and directors, due to dishonor of cheques. The Corporate Debt Restructuring (CDR) scheme of the company has been approved by the CDR cell and Master Restructuring Agreement (MRA) executed with all Banks except one Bank. The company is confident that it will comply with all the conditions of the CDR scheme and shall continue as a viable unit . The auditors have drawn attention to this in their Review Report.

5) On 17th January, 2014, the Company has withdrawn its application filed under Section 391 to 394 of Companies Act, 1956 for the scheme of compromise/arrangement with its creditors.

6) The Company has changed its accounting policy and instead of capitalizing/deferring in reserves, the MTM losses on its derivatives (for conversion of the Rupee loan liabilities into Forex loans) as done hitherto, has followed the ICAI announcement on Accounting for derivatives and provided for the MTM losses in its Statement of Profit and loss. In view of this an amount of Rs.393.08 Lacs from tangible assets (net of depreciation) and Rs.85.60 Lacs from Foreign Currency Translation Reserve a/c has been charged off to the Statement of Profit and loss during the quarter ended 30th June, 2013 and is shown as an exceptional item in the results. Consequentially impact of deferred tax of Rs.162.70 Lacs has been withdrawn and credited in the Statement of Profit and loss. During the current quarter MTM gain of Rs.237.19 Lacs and during the previous quarter MTM loss of Rs.1,440.67 Lacs have been credited/charged off to the statement of Profit & loss respectively and included in other expenses. In the opinion of the auditors, the MTM loss has to be determined at fair value of derivatives as worked out by the banks and they have qualified their report stating that the charge to statement of Profit and loss is less to the extent of Rs.3,980.18 Lacs for the nine months and more to the extent of Rs.468.16 Lacs for the quarter. In view of the company's commitment to continue with the derivative contracts till its maturity, the Company is of the view that the MTM loss has to be worked out taking the spot exchange rate on the reporting date and hence considering the fair value (which would presume cancellation of the derivative contracts) will not reflect the correct financial position.

7) Other expenses for the current quarter include provision for doubtful debts aggregating to Rs.2,247.38 Lacs (Previous Year Nil).

8) As per Accounting Standard - 16 the interest of Panvel FTWZ Phase-II project has been charged to finance expenses during the current quarter aggregating to Rs.615.18 Lacs (Previous Year Nil), which was otherwise charged to CWIP in previous periods.

9) Exceptional items for the current quarter represent :
- Rs.57.42 Lacs net interest credit for previous year due from the lenders in accordance with CDR scheme accepted by them.

Exceptional items for the previous quarter represent:
- Rs.361.32 Lacs net interest credit for previous year due from the lenders as on 30th September in accordance with CDR scheme accepted by them.

Exceptional items for the previous year represent :
- Rs. 542.77 Lacs in respect of Leasehold improvement written off and
- Rs. 1,000.18 Lacs in respect of provision for diminution in the value of investment and provision for doubtful loans given to one of the subsidiaries of the Company.

10) Income tax provision in the current quarter represents income tax liability arising on account of disallowance of expenses on non remittance of TDS before the due date of filing of return of the previous year 2012-13

11) The previous period figures have been regrouped /re-arranged, wherever necessary.

Mumbai
February 10, 2014

Major Suhas Thakar
Executive Director