



November 14, 2011

The Bombay Stock Exchange Limited

25th Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001 (**Scrip Code: 506074**)
Fax No. 2272 3121/2037/2039/2041

National Stock Exchange of India Ltd.

Exchange Plaza,
Plot No. C-1, G – Block,
Bandra Kurla Complex,
Mumbai – 400 051 (**Scrip Name: ARSHIYA**)
Fax No. 2659 8237/238/347/348

Kind attn: Corporate Relationship Department

Dear Sirs,

Sub: Press Release

Please find enclosed herewith Press Release and investor Updates for the 2nd Quarter of the Financial Year 2011-12.

This is for your information and record please.

Yours truly,

For **Arshiya International Ltd**

Rahul Neogi
Company Secretary



Encl: as Above

Arshiya International Ltd



FOR IMMEDIATE RELEASE

Arshiya International's Net Profit Rises by 74% to ₹ 32 crore

Mumbai – November 14, 2011: Arshiya International Ltd. (BSE: 506074 and NSE: Arshiya), an Indian supply chain and logistics infrastructure solutions company, announced consolidated total revenue of ₹247.96 crore for the quarter-ended September 30, 2011 as against ₹ 195.05 crore in the corresponding period last year; registering an increase of 27%.

Consolidated EBITDA for Q2FY12 was ₹ 67.60 crore as against ₹ 33.39 crore in the corresponding quarter registering a 102% increase mainly due to higher EBITDA from our FTWZ business that started operation since December 2010. Consolidated Net Profit for the quarter also increased 74% to ₹ 31.85 crore up from ₹ 18.29 crore.

Commenting on the results Mr. Ajay S Mittal – Group Chairman & Managing Director of Arshiya International Ltd said *“We are extremely happy as Arshiya's first FTWZ in Mumbai has gained further operational momentum and the value optimizing services (VOS) revenues have started providing margin impetus as is visible in our quarterly results. We remain focused on our key and core logistics business of freight forwarding that is uniquely integrated with our assets of FTWZ, Rail and Domestic Distriparks, where our FTWZ and Rail businesses have begun to garner a higher incremental share of the overall revenues.”*

Editor Synopsis:

Q2FY12 Vis-à-Vis Q2FY11

- Total Revenue at ₹ 247.96 crore; an increase of 27% over Q2FY11
- EBITDA at ₹ 67.60 crore, an increase of 102% over Q2FY11
- Net Profit at ₹ 31.85 crore, an increase of 74% over Q2FY11

H1 FY12:

- Total Revenue at ₹ 470.56 crore, an increase of 26% over H1FY11
- EBITDA at ₹ 121.77 crore, an increase of 97% over H1FY11
- Net Profit at ₹ 55.48 crore, an increase of 59% over H1FY11

About Arshiya International Ltd:

Arshiya International Ltd is a flagship company of the Arshiya Group. Listed on the Bombay Stock Exchange (Stock Code: 506074) and National Stock Exchange (Stock Code: Arshiya) and is an India headquartered, integrated supply chain and logistics infrastructure solutions provider. The company currently envisages phased investment of approximately USD 1.6 billion towards creating pioneering logistics infrastructure across strategic locations in India.

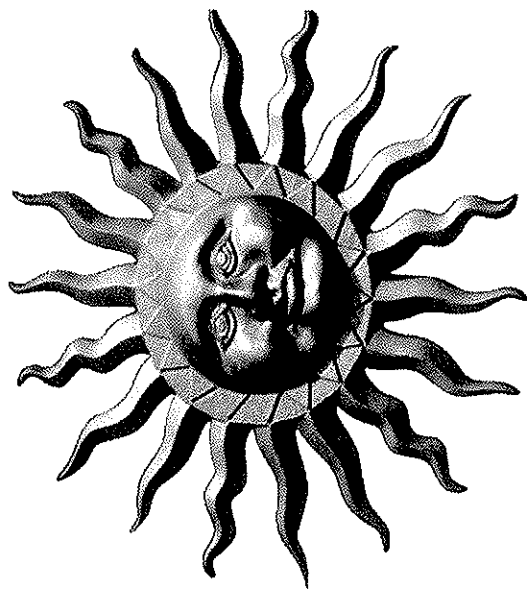
The company has following key business entities and subsidiaries:

- **Arshiya FTWZ** - Involved in implementation and operation of Free Trade & Warehousing Zones (FTWZs)
- **Arshiya Rail Infrastructure** - Designed to provide pan-India rail freight operations and rail terminal facilities
- **Arshiya Domestic Distripark** - Providing strategic hub warehousing for domestic rail consolidation
- **Arshiya Logistics** - Provides logistics solutions including end-to-end freight management and transportation services in 150+ countries world-wide
- **Arshiya Supply Chain Management** – Provides end-to-end supply and demand chain solutions
- **Arshiya Transport & Handling** – Provides world class handling and transportation infrastructure and services to internal as well as external customers
- **Arshiya Technology** – Provides software solutions for supply chain management and business process outsourcing

For Further Information Please Contact:

Arshiya International Ltd Sangeeta Mishra + 91 (22) 4048 5300 Sangeeta.mishra@arshiyainternational.com	Adfactors PR Pvt Ltd. Sonal Zode / Parvathi Nair +91 (22) 2281 3565 sonal.zode@adfactorspr.com parvathi.nair@adfactorspr.com
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INVESTOR UPDATE



ARSHIYA INTERNATIONAL LTD.

Q2 FY 12



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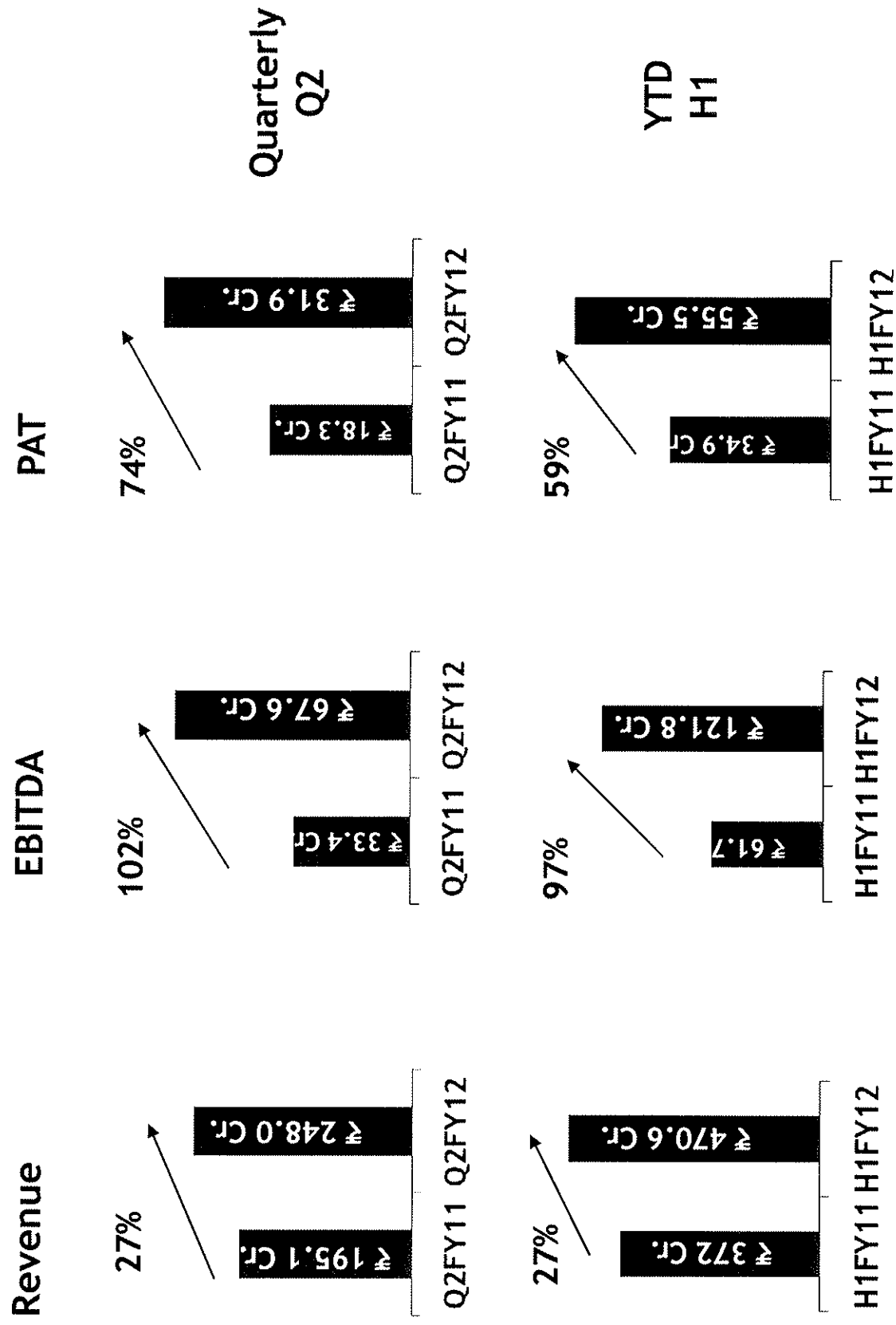
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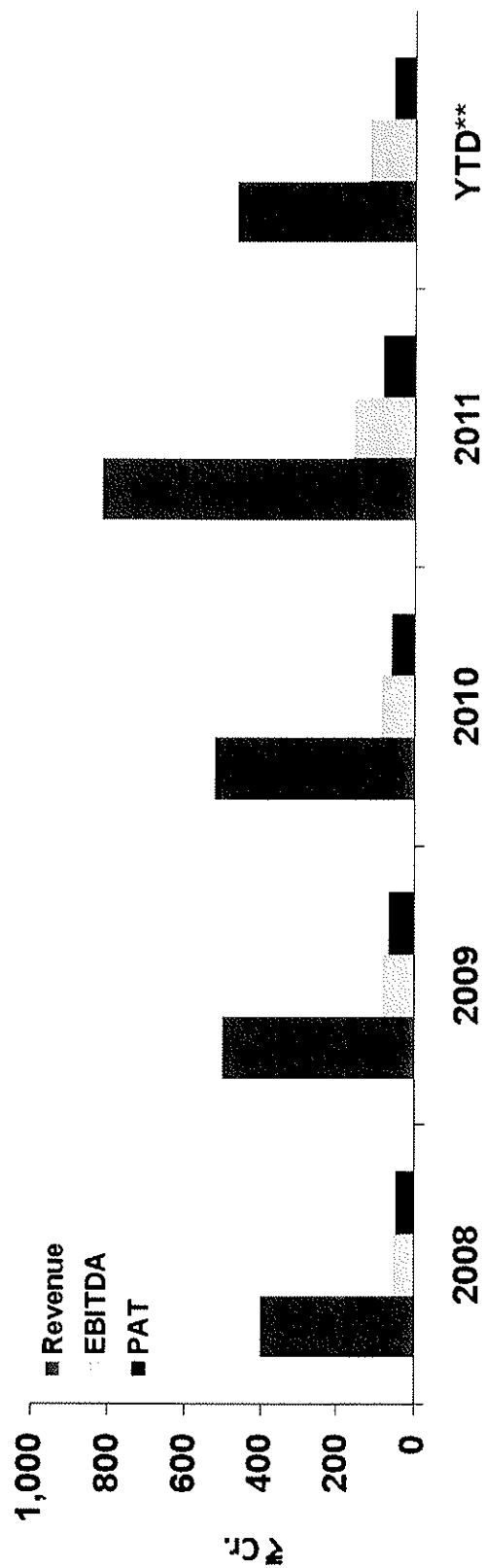
Highlights

- **Financial Performance**
 - Consolidated total revenues for Q2 FY12 at ₹247.96 crore, an increase of 27% from ₹195.05 crore in Q2 FY11
 - EBITDA for Q2 FY12 was ₹67.60 crore as against ₹33.39 crore in the corresponding quarter registering a 102% increase mainly due to higher EBITDA from our FTWZ business that started operation since December 2010
 - PAT for Q2 FY12 at ₹31.85 crore, an increase of 74% from ₹18.29 crore in Q2 FY11
 - Basic EPS for Q2 FY12 was at ₹5.41 compared to ₹3.11 for Q2 FY11
- **Operating Performance**
 - Has been a landmark quarter for the FTWZ operations with the FTWZ at Panvel seeing significant customer additions
- **Projects**
 - Added the fourth warehouse in the Panvel FTWZ thus completing Phase 1
 - Khurja integrated facility shall commence operations in H2 FY12

Performance Comparison



Performance Overview



Consolidated	FY 2008	FY 2009	FY 2010	FY 2011	YTD**
Operating Income — ₹ Cr.	401.2	503.0	525.9*	821.5	470.6
EBITDA — ₹ Cr.	57.7	85.5	88.1*	160.8	121.8
PAT — ₹ Cr.	45.4	65.6	98.3	82.0	55.5
EPS — ₹ per share	9.4	11.3	16.7	14.0	9.4#

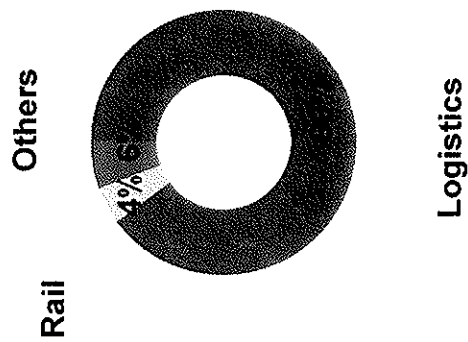
* Excluding income from sale of software marketing rights of INR 38.89 cr

**For H1 FY 2012

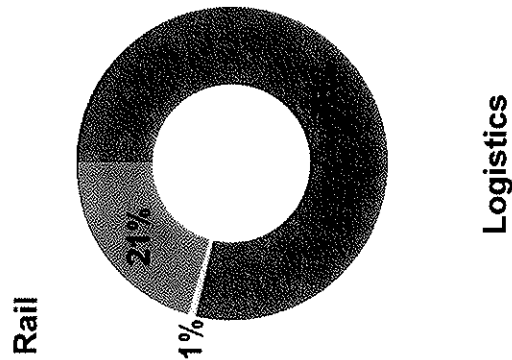
Not annualized

Segmental Revenues

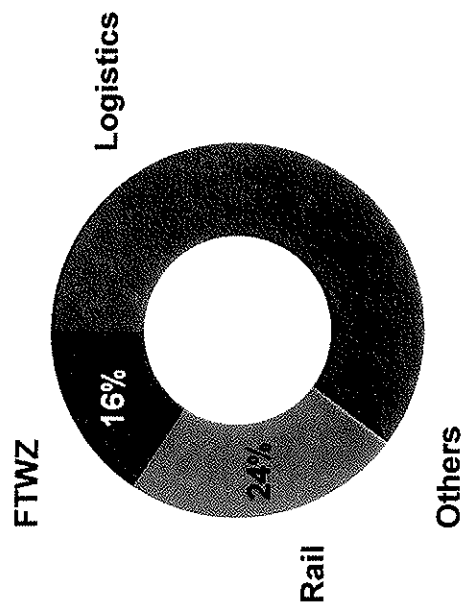
Q2 FY 2010
₹ 118.43 Cr.



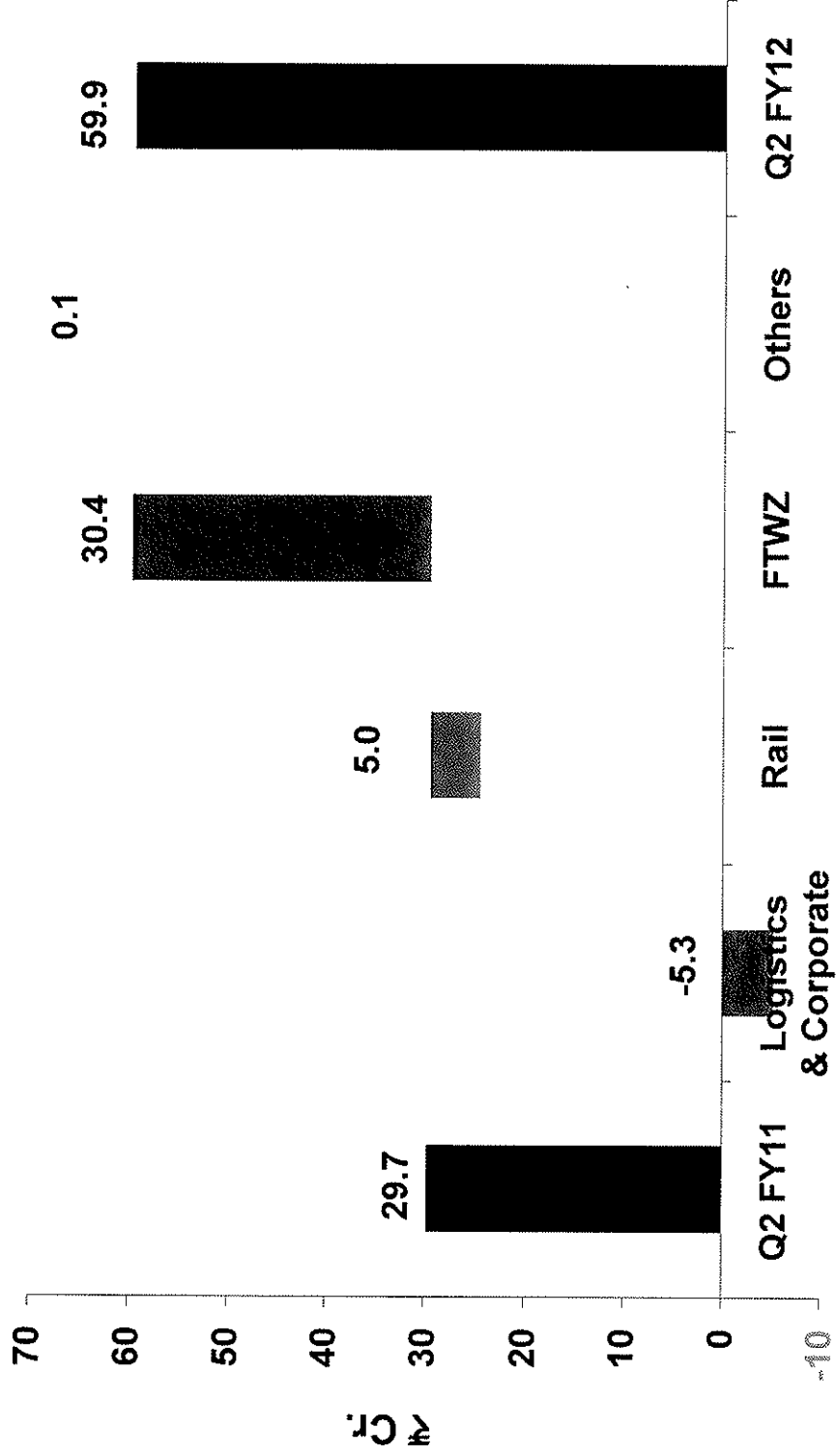
Q2 FY 2011
₹ 195.05 Cr.



Q2 FY 2012
₹ 247.96 Cr.



Operating Profit Drivers – EBIT bridge



■ EBIT Margin increased from 15.23% in Q2 FY11 to 24.16% in Q2 FY12

■ Logistics EBIT affected due to divestment of Oman & Qatar subsidiaries.

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Other Updates

- Arshiya Rail Infrastructure Ltd won the “*Private Container Rail Operator of the Year Domestic Cargo*” award at the Maritime and Logistics (Mala) Awards 2011
- Arshiya Rail Infrastructure Ltd won the “*Best Rail Operator of the Year*” at the 5th Express Logistics & Supply Chain (ELSC) Conclave 2011
- ALOG added customers across industries such as Engineering, Steel, Office Systems, Industrial Safety, Chemicals, Power, Sanitary Wares etc.

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Standalone Financial Statements

September 2011 Quarter	₹ Crore		Change	
	Q2 FY12	Q2 FY11	₹ Crore	%
Net Sales	141.04	106.25	34.79	33%
Other Operating Income	2.57	-		
Cost of Operations	94.00	85.80		
Gross Margin	49.61	20.45	29.16	143%
Employee Cost	35.18%	19.25%		
Other Administrative Expenses	8.50	5.06		
Other Income	9.48	6.63		
	-7.70	-4.19		
EBITDA	39.34	12.96	26.38	204%
Depreciation	27.89%	12.20%		
Interest Expense	3.69	0.77		
	15.26	3.80		
Profit Before Tax	20.39	8.39	12.00	143%
Tax	14.46%	7.90%		
	6.76	2.52		
Profit After Tax	13.64	5.87	7.77	132%
	9.67%	5.53%		

Consolidated Financial Statements

September 2011 Quarter	₹ Crore		Change	
	Q2 FY12	Q2 FY11	₹ Crore	%
Net Sales	245.39	195.05	50.34	26%
Other Operating Income	2.57			
Cost of Operations	157.79	139.71		
Gross Margin	90.17	55.34	34.83	63%
Employee Cost	36.75%	28.37%		
Other Administrative Expenses	14.53	10.03		
Other Income	12.06	12.13		
	-4.02	-0.20		
EBITDA	67.60	33.39	34.21	102%
Depreciation	27.55%	17.12%		
Interest Expense	7.33	3.43		
	21.65	8.71		
Profit Before Tax	38.61	21.25	17.36	82%
Tax	15.73%	10.89%		
	6.76	2.87		
Profit After Tax	31.85	18.38	13.47	74%
Minority Interest	12.98%	9.42%		
	-	0.09		
Profit After Tax & Minority Interest	31.85	18.29	13.56	74%
	12.98%	9.38%		

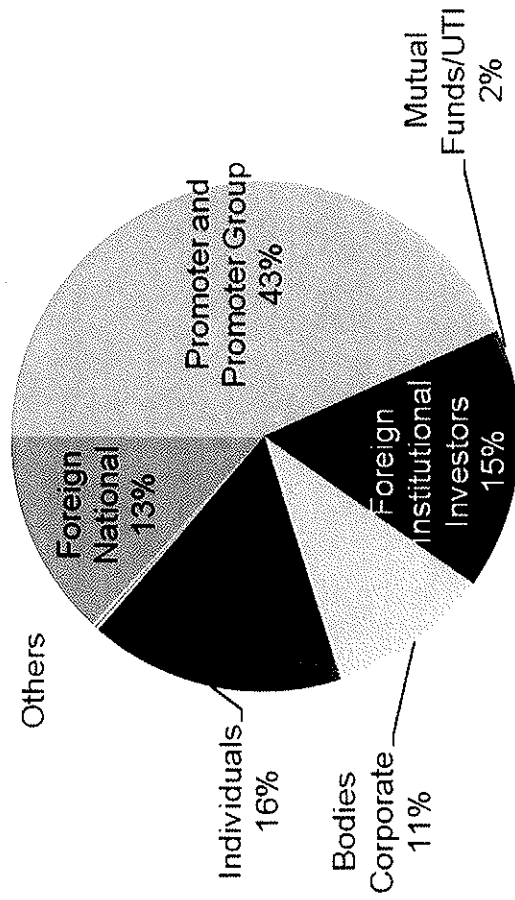
Balance Sheet Abstract

Particulars	Standalone as at			₹ Crore
	30.09.2011 (Unaudited)	30.09.2010 (Unaudited)	31.03.2011 (Audited)	
Shareholders' Funds:				
(a) Capital	11.77	11.75	11.77	
(b) Reserves and Surplus	528.06	494.22	502.62	
(c) Employee Stock Option Outstanding	0.50	1.18	0.50	
Total Net Worth	540.33	507.16	514.88	
Loan Fund	859.83	560.89	679.65	
Deferred Tax Liabilities/(Assets) (Net)	15.82	-0.25	5.51	
TOTAL	1415.98	1067.79	1200.04	
Fixed Assets	994.96	730.88	820.99	
Investment	113.52	113.49	113.52	
Current Assets, Loans and Advances				
(a) Sundry Debtors	128.76	60.15	95.12	
(b) Cash and Bank balances	42.22	119.99	69.49	
(c) Loans and Advances	387.47	316.11	348.59	
Less: Current Liabilities and Provisions				
(a) Liabilities	271.95	263.47	263.65	
(b) Provisions	4.23	9.35	9.97	
Miscellaneous Expenditure (to the extent not written off or adjusted)	25.23		25.97	
TOTAL	1415.98	1067.79	1200.04	

Project Spending Schedule (as on 30.09.2011)

Project (₹ in crore)	Debt	Equity	Total
Panvel FTWZ – Phase I & II	630	237	867
Khurja FTWZ	260	132	392
Rail Infrastructure	363	213	576
Khurja Distripark	350	158	508
Nagpur FTWZ	-	93	93
Total	1603	833	2436

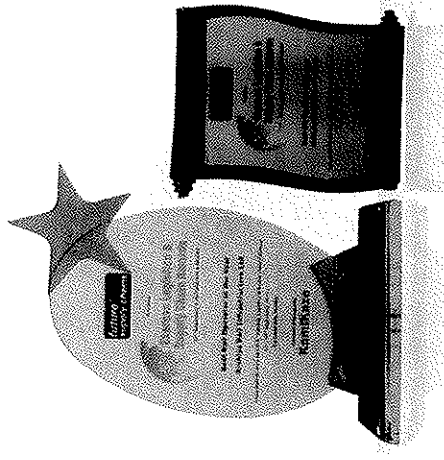
Shareholding Pattern (as on 30th Sept 2011)



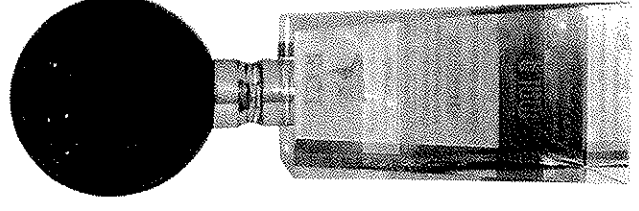
Institutional shareholders

Shareholders	No. of shares	% holding
Tree Line Asia Master Fund (Singapore) Pte Ltd	3176000	5.40
Merill Lynch Capital Market	2799342	4.76
Reliance Capital Trustee Co Ltd	1310273	2.23
CITI Group Global Market Muritius Pvt Ltd	961712	1.63
Handelsbankers Till Vaxtmarknadsfond	588423	1.00

Awards & Recognitions



- Arshiya Rail Infrastructure Ltd. was declared the winner in the Category “*Best Rail Operator of the Year*”, at the 5th Express Logistics & Supply Chain Conclave 2011



- Arshiya Rail Infrastructure Ltd. was declared the winner in the Category “*Private Container Rail Operator of the Year-Domestic Cargo*”, at the Maritime and Logistics (Mala) Award



THANK YOU

Contact Details:
Mitchelle Desilva
mitchelle.desilva@arshiyainternational.com