

Ref: AL/SE/0518/04

Date: 30th May, 2018

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block, Bandra- Kurla Complex,
Bandra (East), Mumbai - 400051.
Fax No. 2659 8237 / 38

Re.: - Arshiya Limited – **NSE Scrip Name: ARSHIYA**

Sub: Disclosure in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Scheme of Arrangement.

This is with reference to your email dated 29th May, 2018 seeking clarification with respect to an announcement submitted to the Exchange dated 25th May, 2018, in this regard given below the point wise clarification sought by the exchange:

1. Brief details of change in shareholding pattern (if any) of listed entity:

There will be no change in the shareholding pattern of the Arshiya Limited ("the Demerged Company"). Arshiya Rail Infrastructure Limited ("the resulting Company") shall issue the shares to the shareholders of the demerged Company as per the share exchange ratio provided in point (2) below.

2. In case of cash consideration amount or otherwise share entitlement/exchange ratio:

Upon the Scheme becoming effective, existing shareholding of Arshiya Rail Infrastructure Limited held by Arshiya Limited shall stand cancelled without any payment and Arshiya Rail Infrastructure Limited will issue One (1) Equity Share of the face value of INR 2/- (Rupees Two Only), each fully paid -up, on a proportionate basis to the members holding fully paid-up equity shares in Arshiya Limited on the Record Date for every 2 (Two) fully paid-up equity shares of INR 2/- (Rupees Two Only) each of Arshiya Limited.

3. Rationale for amalgamation/ merger:

The proposed arrangement between Arshiya Limited and Arshiya Rail Infrastructure Limited would inter- alia achieve the following major objectives:

- Reorganize its corporate structure and integrate / consolidate its operations by housing the FTWZ business in Arshiya Limited and Domestic Business (comprising of Domestic Warehousing Area (DWA), Inland Container Depot (ICD), Rail and Private Freight Terminal (PFT) business) in Arshiya Rail Infrastructure Limited.
- Streamlining the revenues by creating specialized entities.
- Provide more flexibility in terms of creating business synergies in the Resulting Company i.e. Arshiya Rail Infrastructure Limited, enable cost savings, rationalizing capital requirements and optimizing utilization of valuable resources which will enhance management focus on the different businesses being housed under separate entities thereby leading to higher operational efficiency.

Arshiya Limited



4. Area of business of the entity (ies):

- a. **Arshiya Limited** is engaged in the business of developing Free Trade Warehousing Zones ('FTWZ') and Domestic Warehousing Areas ('DWA') as mentioned below to improve logistics infrastructure in India.

FTWZ Business - FTWZ at Panvel offers over 800,000 Sq. ft. of warehousing space with best in class infrastructure which is suitable for clients across industries. The facility is well connected to the National and State Highways and situated only 24 kms from the country's busiest container port and also close to the proposed International Airport in Navi Mumbai.

Domestic Business - Domestic Business comprises of Domestic Warehousing activities being carried out at land admeasuring 43.42 Acres of land situated at Khurja (UP) and investments held in the Resulting Company pertaining to Private Freight Terminal ('PFT'), Rail Transportation Services ('RAIL') businesses being carried in the Resulting Company.

- b. **Arshiya Rail Infrastructure Limited** is currently engaged in the following business as mentioned below:

PFT: ARIL currently under a PFT license operates Indian Railways traffic business for various customers catering to bulk goods movement and bagged cargo at sidings specifically earmarked for the same.

RAIL: ARIL holds category-I license to run container trains pan-India and is one of the largest Private Container Train Operator (PCTO's) with a rail fleet of 18 rakes and 3,200 owned containers equipped to handle a wide-range of cargo, with a pan India presence. ARIL's service is completely equipped to provide efficient movement of cargo between terminals, hubs and warehouses.

ARIL's infrastructure consists of rail siding, rail terminal equipped with three loop / blast rail lines and three non-ballast rail lines with a capacity to handle up to 20 rakes per day.

5. Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length".

The transaction of Demerger shall be done at arm's length basis and all the necessary approvals of the shareholders shall be obtained in due course.

You are requested to take aforesaid clarification on your record and acknowledge.

Thanking you.

Yours faithfully,
For ARSHIYA LIMITED


Savita Dalal
Company Secretary & Compliance Officer

