

FOR IMMEDIATE RELEASE

Arshiya's FTWZ in Khurja, near Delhi set to revolutionize logistics in North India

This marks the second FTWZ in India by Arshiya and will be followed by Domestic Distripark and an integrated rail siding, as a part of India's first mega integrated logistics hub

Mumbai - January 23, 2012: Arshiya International Ltd. (BSE: 506074 and NSE: Arshiya), an Indian supply chain and logistics infrastructure solutions company announces the operational launch of its 135 acre Free Trade & Warehousing Zone (FTWZ), in Khurja, UP near the confluence of the planned eastern and western freight corridors. FTWZ is a part of the Arshiya's 315 acre mega logistics hub which also includes a 50 acre rail siding and 130 acre Domestic Distripark (DDP) which will be operational soon. This will be the flagship state-of-the-art logistics infrastructure in the north to service the massive manufacturing belt. It will enable efficient warehousing, value optimizing and distribution of EXIM and domestic cargo.

Falling under the premise of the SEZ Act, FTWZs offer immense benefits to companies with import, export, re-export and trading activities out of India. Arshiya's FTWZ in the north will empower manufacturers to substantially bring down transactional cost and boost EXIM, facilitate imports through implementation of vendor managed inventory and encourage exports by enabling quality check & consolidation before organized shipment. Overall, FTWZ will substantially bring down EXIM cost through many fiscal, regulatory and operational benefits, thus providing flexibility towards end-distribution through duty deferment, higher inventory visibility, reduced buffer stocks and overall lower product costs. India's & Arshiya's first 165 acre FTWZ in Mumbai has received phenomenal response since it became operational in December 2010 and is currently servicing over 200 companies across sectors such as FMCG, retail, pharmaceuticals, chemicals, manufacturing, heavy engineering, automobile etc. FTWZ in Khurja will enable Arshiya to offer a plethora of benefits to companies with EXIM movement between north-west such as cost effective bonded movement through Arshiya Rail, duty deferred storage of imports, immediate export benefits for companies in the north. Also proximity to planned eastern and western freight corridors will allow convenient access to ports through rail.

Arshiya's Domestic Distripark (DDP) spread over 130 acre, will provide an efficient hubbing zone in northern India for centralized warehousing, value optimization, consolidation and movement through rail. Arshiya DDP is further benefited by the adjoining presence of the modern rail siding spread across 50 acre with six rail tracks and owned locomotives for consolidation and movement through rail.

Commenting on the announcement Mr. Ajay S Mittal – Group Chairman & Managing Director of Arshiya International Ltd said **“The launch of Arshiya's FTWZ in Khurja, UP has enabled Arshiya to**

complete the North-West belt of its planned pan-India footprint. Now we will be able to provide tremendous value and cost savings for the heavy EXIM cargo movement in this belt by offering warehousing, value optimizing services as well as movement through Arshiya Rail. Our expanding footprint of logistics infrastructure with FTWZ, DDP & Rail and integration with our asset light services like freight forwarding, transportation etc develops a whole new dimension in our ability to provide integration, flexibility and savings for our global and Indian customers. Khurja infrastructure is another step towards our ability to leverage India as a global distribution and value addition hub.”

Logistics costs in India are fairly high – at around 14% of GDP, compared to 8% - 9% in most developed nations. A major contributor to these higher costs stems from the lack of infrastructure investments into the logistics space within India. Arshiya’s FTWZ highlights a landmark beginning within the Logistics Sector that is expected to improve efficiency and lower costs for Arshiya’s customers. Arshiya’s FTWZs, DDPs & rail infrastructure is a part of planned pan-India footprint - all on an existing ten-year Freight Forwarding, Supply Chain & IT Solution legacy making Arshiya India’s first and only truly integrated logistics company.

About Arshiya International Ltd:

Arshiya International Ltd. (AIL), 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 has following key business entities and subsidiaries:

- **Arshiya FTWZ** - Involved in implementation and operation of Free Trade and Warehousing Zones (FTWZs)
- **Arshiya Rail Infrastructure** - Designed to provide pan-India rail freight operations and providing 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 & transportation services in over 150+ countries world-wide
- **Arshiya Supply Chain Management** – Provides end-to-end supply & demand chain solutions
- **Arshiya Transport & Handling** – Focus on providing world class transportation and handling infrastructure and services
- **Arshiya Technology** – Provides software solutions for supply chain management and business process outsourcing

For further information contact:

Arshiya International Ltd. Prashant Waghe + 91 (22) 42305500 prashant.waghe@arshiyainternational.com	Adfactors PR Pvt Ltd. Sonal Zode +91 (22) 2281 3565 sonal.zode@adfactorspr.com
---	---