



FOR IMMEDIATE RELEASE

Italy based Market leader in Ground Engineering Machines, Soilmec begins using Arshiya's Mumbai FTWZ as their Import and Re-Export Hub

Mumbai October 10, 2011: Arshiya International Ltd an integrated supply chain and logistics infrastructure solutions company has executed a contract with Soilmec India, a subsidiary of Italian based leader in design, manufacture, and distribution of equipment for the ground engineering industry for making Arshiya's first FTWZ in Panvel, Mumbai as its regional distribution hub. As per the deal, Soilmec will be utilizing Arshiya's Mumbai FTWZ for importing large sized machines such as large Diameter Piles, Cranes, Hydromill, Grabs & Microdrilling equipments as well as the spare parts required to service these heavy engineering machines. These products will be imported from international markets and warehoused in dismantled format at the FTWZ. Soilmec will be scaling its business operations in India which is one of the key markets for these heavy equipments along with re-exports to regions such as Bangladesh. Soilmec equipments are used in building bridges, motorways, tunnels, underground lines, railways and various other construction activities.

Free Trade and Warehousing Zone (FTWZ) Scheme in India was introduced under Chapter 7A of the Foreign Trade Policy 2004-09 to create trade related infrastructure to facilitate the import and export of goods and services with freedom to carry out trade transactions in free currency, aimed at making India into a global trading hub. FTWZ is a special category of Special Economic Zone (SEZ) and is governed by the provisions of the SEZ Act, 2005 and the SEZ Rules, 2006. Since the policy has been formed, Arshiya International Ltd an integrated supply chain and logistics infrastructure solutions company has invested in creating five such FTWZs pan-India, with the first of its FTWZ infrastructure spanning 165-acres in Mumbai (Panvel) operational since late last year.

Commenting on the deal, Mr. Sanjoy Chakrabarty, Managing Director of Soilmec India said ***"The Indian market place is robust with infrastructure development and such an FTWZ provides us with the flexibility to serve the market just in time and reduce long lead times that become impediments to our business. The state-of-the-art FTWZ that Arshiya has developed along with its integrated services bring us the right mix to capitalize on the opportunity available in India and we look forward to this zone allowing us to serve the Indian customers better with our products"***

Commenting on the occasion Mr Ajay S. Mittal Chairman and Managing Director of Arshiya International Ltd said ***“Infrastructure development in all aspects of India’s economy is one of the most important variable in sustaining growth in the economy. Thus there is a huge market in India itself for advanced technology heavy engineering products provided by world class companies such as Soilmec. FTWZ will be a game changer for Soilmec as it will provide it flexibility to import equipments duty deferred in the zone, warehouse it for extended period and exhibit it to customers before final sale, either in India or nearby regions reducing the sales lead time considerably”.***

In addition to its zone in Mumbai, Arshiya is also expanding its logistics infrastructure footprint across five strategic locations by developing and operating FTWZs across North (Khurja in the State of UP Near Delhi – 315 acres), Center (Nagpur – 110 acres), South (Chennai) and East of India. Complementing each FTWZ will be Domestic Distribution hubs ‘Distriparks’, connected by Rail Terminals and freight train network. Arshiya Rail Infrastructure is also the second largest Private Container Train Operator (PCTO) presently operating 15 trains pan India, with a planned induction of 150 in coming years.

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 over 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

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