

May 23, 2016

Department of Corporate Services BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001. BSE Scrip Code: 532749	The Listing Department National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. NSE Symbol: ALLCARGO
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Dear Sir/ Madam,

Sub.: Updates

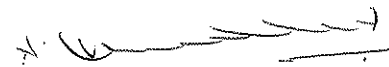
Ref: Outcome of Board meeting dated February 13, 2016 and May 20, 2016

In continuation to our aforesaid letters, please find enclosed updates on acquisition of 61.13% stake in Avvashya CCI Logistics Pvt. Ltd. (formerly known as CCI Integrated Logistics Pvt. Ltd.), by the Company and recommendation of appointment of M/s. Shaparia Mehta & Associates LLP, Chartered Accountants as Joint Statutory Auditors of the Company pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), 2015.

Request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For Allcargo Logistics Limited



Shailesh Dholakia
Company Secretary & Compliance Officer

Encl: As above

Disclosures pursuant to Part A of Part A Schedule III of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), 2015 and Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015

I. Slump Sale of Contract Logistics Business of the Company and Freight Forwarding and Custom Clearance Business of Hindustan Cargo Limited, Wholly owned subsidiary of the Company to Avvashya CCI Logistics Pvt. Ltd. (formerly known as CCI Integrated Logistics Pvt. Ltd.)

a	Names of the entities forming part of the Slump Sale	Allcargo Logistics Limited ('Allcargo' or 'the Company'), Hindustan Cargo Limited ('HCL'), Avvashya CCI Logistics Pvt. Ltd. (formerly known as CCI Integrated Logistics Pvt. Ltd.) ('ACCI')						
b	Brief details of the entities forming part of the slump sale such as area of business, size, turnover and rationale of the slump sale	<p>The Company is engaged in the business of providing Integrated Logistics Solutions for National and International trade. The Company's integrated logistics services comprises of the following:</p> <ul style="list-style-type: none">• Global Multi-modal Transport Operations comprising of NVOCC (MTO, LCL, FCL) services;• Container Freight Stations (CFS) and Inland Container Depots (ICD) operations PAN India;• Project & Engineering Solutions;• Contract Logistics / Warehousing;• Ship Owning and Chartering. <p>Allcargo currently operates out of 300 plus offices in 160 plus countries and gets supported by an even larger network of franchisee offices across the world.</p> <p>Allcargo is one of India's largest publicly owned, profit making and dividend paying Logistics Company and a constituent of the BSE Mid Cap and CNX Nifty 500 indices. The consolidated Turnover and Net worth of the Company for the financial year ended March 31, 2016 are given below:</p> <p>(Amount in Rs. in crore)</p> <table><tr><th colspan="2">Allcargo Logistics Limited</th></tr><tr><th>Turnover</th><th>Net Worth</th></tr><tr><td>5,688</td><td>2,206</td></tr></table> <p>The market capitalisation of the Company as on date is approx Rs. 3,800 crore.</p> <p>Hindustan Cargo Limited, wholly owned subsidiary ('HCL') of the Company, is engaged in the business of providing Air and</p>	Allcargo Logistics Limited		Turnover	Net Worth	5,688	2,206
Allcargo Logistics Limited								
Turnover	Net Worth							
5,688	2,206							



Sea Freight Forwarding and Custom Clearance services. HCL has a wide spread network and branches in more than 24 locations across India covering all major ports & airports. Well entrenched experience in supply chain management & customs procedures has given HCL a niche position in this sector.

The Turnover and Net worth of HCL for the financial year ended March 31, 2016 are given below:

(Amount in Rs. in crore)

Hindustan Cargo Limited	
Turnover	Net Worth
256.1	28.20

CCI Logistics Limited ('CCI'), is a Company engaged in the business of logistics and distribution with extensive network all over India with the coverage in major cities, a huge fleet of customized vehicles and specialized warehousing space at PAN India locations. CCI has pursuant to a Scheme of Arrangement approved by the Hon'ble High Court of Bombay on October 30, 2015 and Hon'ble High Court of Kolkata on February 17, 2016 demerged its Warehousing, Custom Clearance and Freight & Forwarding Division to Avvashya CCI Logistics Pvt. Ltd. (formerly known as CCI Integrated Logistics Pvt. Ltd.) ('ACCI') as a going concern w.e.f. April 01, 2015.

As a part of the Company's growth strategy and to further expand the freight forwarding, customs clearance and Contract Logistics business with a view to achieve significant presence in the Contract Logistics and E-Commerce Logistics business, the Company and HCL agreed to sell and transfer its Contract Logistics and Air and Sea Freight Forwarding and Custom Clearance businesses respectively as a going concern on slump sale basis to ACCI at a value determined by the Independent Valuer which will be discharged by ACCI in form of issue of further shares.

The Turnover and Net worth of ACCI for the financial year ended March 31, 2016 are given below:

(Amount in Rs. in crore)

Avvashya CCI Logistics Pvt. Ltd.	
Turnover	Net Worth
77.24	19.95



c	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year i.e. FY 2015-16;	(Amount in Rs. in crore)			
		Contract Logistics Division of the Company			
		Turnover	Percentage to Standalone Turnover	Net worth	Percentage to Standalone Networth
		55.18	4.58%	16.46	1.21%
		(Amount in Rs. in crore)			
		Hindustan Cargo Limited,			
		Turnover	Percentage to Consolidated Turnover	Net Worth	Percentage to Consolidated Turnover
		256.1	4.50%	28.20	1.28%
d	Whether any of the buyers belong to the promoter/ promoter group /group companies. If yes, details thereof;	No			
e	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms-length";	No			
f	Details of Consideration	For Sale of Contract Logistics Division: Rs. 19.62 crore which will be discharged in form of issue of 6.63% shares of ACCI. For Sale of Air and Sea Freight Forwarding and Custom Clearance business of HCL: Rs. 31.29 crore which will be discharged in form of issue of 10.57% shares of ACCI.			
g	Date on which the agreement for sale has been entered into;	The definitive agreements will be executed on/or before June 30, 2016.			
h	The expected date of completion of sale/disposal;	The expected date of completion of the transaction is on/or before June 30, 2016.			
i	Brief details of change in shareholding pattern (if any) of listed entity.	The sale of Contract Logistics Division does not result in any change in the shareholding pattern of the Company.			

II. Acquisition of controlling stake of Avvashya CCI Logistics Pvt. Ltd. (formerly known as CCI Integrated Logistics Pvt. Ltd.)

a	Name of the target entity, details in brief such as size, turnover etc.;	Avvashya CCI Logistics Pvt. Ltd. (formerly known as CCI Integrated Logistics Pvt. Ltd.) ('ACCI') was incorporated on February 14, 2015. ACCI was formed to undertake business of Warehousing, Custom Clearance and Freight & Forwarding which were
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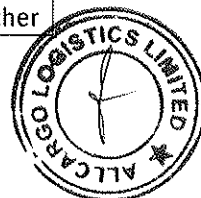
		<p>transferred by CCI Logistics Limited pursuant to a Scheme of Arrangement approved by the Hon'ble High Court of Bombay on October 30, 2015 and Hon'ble High Court of Kolkata on February 17, 2016 and sale and transfer of Contract Logistic business of the Company and Air and Sea Freight Forwarding and Custom Clearance services of Hindustan Cargo Limited ('HCL'), a wholly owned subsidiary of the Company, as a going concern on slump sale basis.</p> <p>As on March 31, 2016, ACCI has a turnover of approx. Rs. 77.24 crore.</p>
b	Industry to which the entity being acquired belongs;	Logistics
c	Objects and effects of acquisition	<p>As a part of the Company's growth strategy and to further expand the freight forwarding, customs clearance and Contract Logistics business with a view to achieve significant presence in the Contract Logistics and E-Commerce Logistics business, the Company has agreed to acquire controlling stake in ACCI in the following manner:</p> <p>(i) Acquisition of 6.63% stake by the Company against sale and transfer of Contract Logistics Division of the Company through slump sale in favour of ACCI at a valuation of Rs. 19.62 crore as determined by the Independent Valuer;</p> <p>(ii) Acquisition of 10.57% stake by Hindustan Cargo Limited (HCL), the wholly owned subsidiary of the Company, against sale and transfer of its Air and Sea Freight Forwarding and Customs Clearance business through slump sale in favour of ACCI at a valuation of Rs. 31.29 crore as determined by the Independent Valuer;</p> <p>(iii) Acquisition of additional 43.93% stake by the Company from the erstwhile Promoter Shareholders of ACCI at an agreed consideration of Rs. 130 crore as determined by the Independent Valuer.</p> <p>Consequent to the above, the Company will acquire a total controlling stake of 61.13% in ACCI.</p>
d	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest	No



	and details thereof and whether the same is done at "arms length";	
e	Brief details of any governmental or regulatory approvals required for the acquisition;	None
f	Indicative time period for completion of the acquisition;	On or before June 30, 2016
g	Nature of consideration - whether cash consideration or share swap and details of the same	Consideration will be as follows: <ul style="list-style-type: none"> - For Sale of Contract Logistics Division: issue of 6.63% shares by ACCI aggregating to Rs. 19.62 crore. - For Sale of Air and Sea Freight Forwarding and Custom Clearance business of HCL: issue of 10.57% shares by ACCI aggregating to Rs. 31.29 crore - For acquisition of further stake of 43.93% by the Company of ACCI: Cash consideration of Rs. 130 crore
h	Cost of acquisition or the price at which the shares are acquired;	Total Cost of acquisition: Rs. 180.91 crore
i	Percentage of shareholding/control acquired and/or number of shares acquired;	The Company: 50.56% of the paid share capital of ACCI HCL: 10.57% of the paid share capital of ACCI
j	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	ACCI has been formed to undertake Warehousing and Custom Clearance, Freight Forwarding business which was acquired from CCI Logistics Ltd. pursuant a Scheme of Arrangement and Contract Logistics and Air and Sea Freight Forwarding Business from the Company and HCL respectively as a going concern on slump sale basis. ACCI was incorporated on February 14, 2015. As on March 31, 2016, ACCI has a turnover of approx. Rs. 77.24 crore.

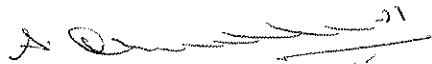
III. Change in Auditors of the Company:

a	Reasons for change	M/s Appan & Lokhandwala Associates, Chartered Accountants were appointed as Joint Statutory Auditors of the Company on 22 nd Annual General Meeting to hold office till the conclusion of the ensuing Annual General Meeting to be held in year 2016. In view of adoption of auditors' rotational policy pursuant to the provisions of Section 139 of the Companies Act, 2013 and Rules made thereunder, as recommended by the Audit Committee, the Board of Directors of the Company has further
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		recommended appointment of M/s. Shaparia Mehta & Associates LLP, Chartered Accountants, as joint auditor in place of M/s Appan & Lokhandwala Associates, the retiring joint auditor, to the Shareholders of the Company for their approval at the ensuing Annual General Meeting of the Company.
b	Date of Appointment	Date of Appointment of M/s. Shaparia Mehta & Associates LLP, Chartered Accountants, if approved by the Shareholders, will be the date of the ensuing Annual General Meeting of the Company scheduled to be held on August 10, 2016.
c	Brief profile	M/s. Shaparia Mehta and Associates LLP, firm of Chartered Accountants, has a rich experience of more than two decades in the field of Audit and Assurance, Tax Consultancy and Planning, Finance Consultancy and Advisory, Virtual CFO, Due Diligence, Financial Rehabilitation and Restructuring and Corporate Laws.

For Allcargo Logistics Limited,



Shailesh Dholakia
Company Secretary & Compliance Officer

