

December 22, 2023

ALLCARGO LOGISTICS LIMITED

CMP - Rs.312.40

MCAP - Rs.7674.30 crores

ALLCARGO GATI LIMITED

CMP - Rs.133.30

MCAP - Rs.1736.06 crores

Please note that Allcargo Logistics, the logistics major announced its decision to restructure its business under Allcargo Limited and Allcargo Gati Limited (formerly Gati Limited). According to the filing, under the scheme, the International Supply Chain (ISC) business will be demerged into a separate entity, Allcargo ECU Limited and will include the India part of international supply chain business along with the international subsidiaries held under the ECU Worldwide NV. Express business and contract logistics business would come under the resulting entity Allcargo Logistics.

SCHEME HIGHLIGHTS

- Allcargo Logistics (ACL) to demerge its ISC business and support function into a separately listed entity, Allcargo ECU Limited (AEL).
- ASCPL (entity holding CL business) and GESPL (operating entity of express business) will then merge into Allcargo Gati (AGL).
- As last step under the same Scheme, Allcargo Gati (housing the CL and Express businesses post the above step) to merge into Allcargo Logistics (post demerger of ISC business).
- Proposed demerger : 1 equity share of AEL of Rs. 2 each fully paid up, for every 1 equity share of ACL of Rs 2 each fully paid up
- Proposed merger of ASCPL into Allcargo Gati: 2 equity shares of Gati of Rs. 2 each fully paid up, for every 10 equity shares of ASCPL of Rs. 10 each fully paid up
- 1 RPS of Gati of Rs. 10 each fully paid up, for every 1 OCRPS of ASCPL of Rs. 10 each fully paid up (option of conversion on OCRPS has been rescinded by the holder of OCRPS)
- Proposed merger of GESPL into Allcargo Gati: 3,475 equity shares of Gati of Rs. 2 each fully paid up, for every 10 equity shares of GESPL of Rs. 2 each fully paid
- Proposed merger of Allcargo Gati into Allcargo Logistics (post ISC demerger): 63 equity shares of Allcargo Logistics of Rs. 2 each fully paid up, for every 10 equity shares of Gati of Rs. 2 each fully paid

The scheme also entails the cancellation of:

- Allcargo Gati's current shareholding in GESPL (upon merger of GESPL into Gati)
- ACL's current shareholding in ASCPL, GESPL & Allcargo Gati (upon merger of Allcargo Gati into Allcargo Logistics)

Swap Ratio

In conclusion,

- shareholder of Allcargo Logistics will get 1:1 share in Allcargo ECU Limited in addition to their holding in Allcargo Logistics.
- Shareholders of Allcargo Gati (other than Allcargo Logistics itself) will get 63 equity shares of Allcargo Logistics (post ISC demerger) for every 10 equity shares held by them. This factors in 3:1 bonus approved by shareholders of Allcargo recently

<https://www.bseindia.com/xml-data/corpfiling/AttachLive/828aa03a-0a9d-4b21-b59a-37354c15475f.pdf>

<https://www.bseindia.com/xml-data/corpfiling/AttachLive/220d7d0f-a34b-4d3c-8fd7-79eb7e171c01.pdf>

E-mail: smc.care@smcindiaonline.com



Moneywise. Be wise.

Corporate Office:

11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com

Mumbai Office:

Lotus Corporate Park, A Wing 401 / 402, 4th Floor,
Graham Firth Steel Compound, Off Western
Express Highway, Jay Coach Signal, Goreagon
(East) Mumbai - 400063
Tel: 91-22-67341600, Fax: 91-22-67341697

Kolkata Office:

18, Rabindra Sarani, Poddar Court, Gate No-4,
5th Floor, Kolkata - 700001
Tel.: 033 6612 7000/033 4058 7000
Fax: 033 6612 7004/033 4058 7004

SMC Global Securities Ltd. (hereinafter referred to as "SMC") is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, depository services and related activities. SMC is a registered member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited, MSEI (Metropolitan Stock Exchange of India Ltd) and M/s SMC Comtrade Ltd is a registered member of National Commodity and Derivative Exchange Limited and Multi Commodity Exchanges of India and other commodity exchanges in India. SMC is also registered as a Depository Participant with CDSL and NSDL. SMC's other associates are registered as Merchant Bankers, Portfolio Managers, NBFC with SEBI and Reserve Bank of India. It also has registration with AMFI as a Mutual Fund Distributor.

SMC is a SEBI registered Research Analyst having registration number INH100001849. SMC or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing/dealing in securities market. SMC or its associates or its Research Analyst or his relatives do not hold any financial interest in the subject company interest at the time of publication of this Report. SMC or its associates or its Research Analyst or his relatives do not hold any actual/beneficial ownership of more than 1% (one percent) in the subject company, at the end of the month immediately preceding the date of publication of this Report. SMC or its associates its Research Analyst or his relatives does not have any material conflict of interest at the time of publication of this Report.

SMC or its associates/analyst has not received any compensation from the subject company covered by the Research Analyst during the past twelve months. The subject company has not been a client of SMC during the past twelve months. SMC or its associates has not received any compensation or other benefits from the subject company covered by analyst or third party in connection with the present Research Report. The Research Analyst has not served as an officer, director or employee of the subject company covered by him/her and SMC has not been engaged in the market making activity for the subject company covered by the Research Analyst in this report.

The views expressed by the Research Analyst in this Report are based solely on information available publicly available/internal data/ other reliable sources believed to be true. SMC does not represent/ provide any warranty expressly or impliedly to the accuracy, contents or views expressed herein and investors are advised to independently evaluate the market conditions/risks involved before making any investment decision. The research analysts who have prepared this Report hereby certify that the views/opinions expressed in this Report are their personal independent views/opinions in respect of the subject company.

Disclaimer: This Research Report is for the personal information of the authorized recipient and doesn't constitute to be any investment, legal or taxation advice to the investor. It is only for private circulation and use. The Research Report is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. No action is solicited on the basis of the contents of this Research Report. The Research Report should not be reproduced or redistributed to any other person(s) in any form without prior written permission of the SMC. The contents of this material are general and are neither comprehensive nor inclusive. Neither SMC nor any of its affiliates, associates, representatives, directors or employees shall be responsible for any loss or damage that may arise to any person due to any action taken on the basis of this Research Report. It does not constitute personal recommendations or take into account the particular investment objectives, financial situations or needs of an individual client or a corporate/s or any entity/s. All investments involve risk and past performance doesn't guarantee future results. The value of, and income from investments may vary because of the changes in the macro and micro factors given at a certain period of time. The person should use his/her own judgment while taking investment decisions. Please note that SMC its affiliates, Research Analyst, officers, directors, and employees, including persons involved in the preparation or issuance of this Research Report: (a) from time to time, may have long or short positions in, and buy or sell the securities thereof, of the subject company(ies) mentioned herein; or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company(ies) discussed herein or may perform or seek to perform investment banking services for such company(ies) or act as advisor or lender/borrower to such subject company(ies); or (c) may have any other potential conflict of interest with respect to any recommendation and related information and opinions.

All disputes shall be subject to the exclusive jurisdiction of Delhi High court.