

May 30, 2016

To
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai – 400 001.
SCRIP CODE: 526381

To
National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (East),
Mumbai – 400 051.
PATINTLOG


Dear Sirs,

Sub. : Press Release

We forward herewith a copy of the Press Release issued by the Company in connection with the entering into an Agreement with Pivot Logistics LLC which were approved by the Board of Directors of the Company at its meeting held on 27th May 2016.

Yours' faithfully,

For PATEL INTEGRATED LOGISTICS LIMITED


(NITIN B. AKOLKAR)
COMPANY SECRETARY

Encl. : as above

c.c. To :

- (a) Ahmedabad Stock Exchange Ltd.
- (b) The Calcutta Stock Exchange Association Ltd.



Press Release

Patel Integrated Logistics teams up with Saudi-based Nationwide Group to float JV

- **Pivot Logistics, new JV, to tap emerging opportunities in GCC countries**
- **PIL to earn 19.85% sweat equity without any capital infusion**
- **JV brings on board legacy, experience of two legendary entrepreneurs**

Mumbai, May 30: In a pioneering Indo-Saudi joint venture after the recent visit by Prime Minister Narendra Modi and the sweeping economic reforms by the Arabian country, India's logistics behemoth Patel Integrated Logistics Ltd (PIL) has teamed up with Saudi Arabia's renowned Nationwide Group to develop Pivot Logistics.

The joint venture, harnessing the synergies of two leading groups with legacy and experience, has been floated to tap the emerging opportunities in the largely-fragmented logistics sector of GCC and at the same time to add new dimension to the ecosystem. Nationwide Group was founded by Saudi's first businesswomen Abeer Bint Mohammed, who is ranked 11th on last Forbes Most Powerful Arab Women list while PIL was launched by Asgar Patel as a one-truck entity back in 1959 and transformed it into a global leader.

Under the Memorandum of Understanding, PILL will share its know-how, manpower and technology to set up and manage the end-to-end operations of the venture. In the innovative collaboration, PILL will not make any capital investment, but will earn 19.85% sweat equity for applying their superior know-how in managing the venture's operations.

Pivot Logistics will set up a network of 50+ destinations with operations in warehousing and logistics software to begin with and is expected to generate revenue of around 40 crore annually with in 2-3 years of operation. Further, they are in the process of developing a technology that will grow their network many-fold and ease scalability. Due to their patent-pending technology, the details have remained classified.

"With the lucrative margin available in the Gulf countries, the JV is expected to significantly enhance the bottom line of PILL," said PILL Executive Vice Chairman Areef Patel.



By 2017, the venture will begin operations in Dubai and then across the Gulf countries by 2018, to tap the full potential of the market opportunities arising in the GCC; most notably, the mega Dubai World Expo 2020 and the Qatar 2022 FIFA World Cup. Pivot Logistics emphasizes economic utilization of logistics technologies, which they plan to develop and license. That will make PILL, through its JV, one of the earliest Indo-Arab logistics software providers in the region while simultaneously making Pivot Logistics a regional tech pioneer.

“Saudi logistics sector is highly unorganised with low penetration of technology and we see bright prospects of growth, given our track record and initiatives back home,” Mr Patel said.

After setting up the network for warehousing and logistics software in the first phase, the company will move into air cargo in the line of Patel On-Board Couriers (POBC) and marine sector in the third phase.

“Our vision is to be a capital player in solidifying the role of logistics in any company's success regardless of size or cycle stage. As logisticians, we simplify to profit and minimize to grow,” said Pivot Logistics’ General Manager and part owner Hazem Alnajjar,

PILL looks to mobilise man power at all levels to put the new JV on stream at the earliest

The joint venture brings on board the legacy of two top entrepreneurs in the two countries. PILL’s founding-father, Asgar Patel, began with one truck back in 1959 and transformed the company into a global leader in integrated logistics with over 800 stations across India. The company moves cargo worth Rs 120 billion annually. It has recently set up arm for e-commerce, after partnering with Amazon for express delivery.

On the other side Nationwide Group’s founding-mother Abeer bint Mohammed, who is the first businesswoman in the Kingdom starting in 1976, has consistently challenged the status-quo. In the 70’s, she was the first woman to establish a general contracting company, in the 80’s, she founded the first co-educational computer institute in the Kingdom, and in the 90’s, she was the first businesswoman to establish a food & beverage factory to reduce the food shortage born of the Gulf Wars as well as winning an exclusive bid to operate and maintain all military seaports in the western region of KSA. Most recently, she played a vital role in assisting the Saudi Ministry of Labour to create reforms for its labour market by securing a Royal Decree. Furthermore, she founded a 100 Million SAR closed joint-stock company to ensure commercial adherence of the laws and was #11 on Forbes Most Powerful Arab Women.

