

# Allcargo to Demerge Int'l Biz ECU

Allcargo shareholders to get 1:1 shares in new entity and can keep stake in logistics unit

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**Mumbai:** Allcargo Logistics said on Thursday it will demerge its money spinning international business ECU Worldwide into a separate listed entity, Allcargo ECU, as the last step to restructuring its businesses.

The international supply chain business accounted for more than 88% of its total revenue of about ₹20,000 crore in 2022-23.

“Express business and contract logistics business would come under

the resulting entity Allcargo Logistics which will benefit from combined synergies and the shareholders of Allcargo and Allcargo Gati will get direct shareholding eliminating inefficient complex corporate structure,” the company said in a statement.

The restructuring started with selling the company's non-core assets, progressed to giving exits to its partners and acquiring their stakes in business, and has culminated with this demerger.

The Allcargo Group will now have four listed entities, including Allcargo ECU, Allcargo Logistics (which will include the express business after it acquired Gati). The other two companies are Allcargo Terminals and Transindia Real Estate, in each of which its promoters own 70% stake.

“As per the approved swap ratio, based on the recommendations of

the independent valuers, shareholders of Allcargo Gati will get 63 shares in the resulting Allcargo Logistics entity (after the ISC demerger) for every 10 shares held in Allcargo

Gati,” said the company statement.

**The international supply chain biz accounted for more than 88% of its total revenue of about ₹20,000 crore in 2022-23**

“Shareholders of Allcargo will get 1:1 shares in the demerged Allcargo ECU and continue to hold their shares in Allcargo Logistics, which will now be the resulting entity holding express and contract logistics business directly. This takes into account 3:1 bonus shares approved by shareholders for Allcargo Logistics recently.”