

May 22, 2023

To,

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| BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 BSE Scrip Code: 532749 | National Stock Exchange of India Limited 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: Apportionment of Cost of Acquisition of Equity Shares pursuant to Scheme of Arrangement and Demerger

Please find enclosed the communication being issued for providing general guidance to the shareholders of Allcargo Logistics Limited pertaining to the method of calculation and apportionment of cost of acquisition of Equity Shares issued by Allcargo Terminals Ltd and Transindia Real Estate Limited (Erstwhile Transindia Realty and Logistics Parks Limited) pursuant to the Scheme of Arrangement and Demerger duly approved by Hon'ble National Company Law Tribunal vide its order dated January 05, 2023.

The aforesaid information shall be made available on the Company's website at www.allcargologistics.com.

Kindly take the above on record.

Thanking you,

Yours faithfully,

For Allcargo Logistics Limited

Devanand Mojidra
Company Secretary & Compliance Officer

Encl: a/a



Ingenuity In Motion

FOR THE ATTENTION OF SHAREHOLDERS OF ALLCARGO LOGISTICS LIMITED

Subject: Apportionment of Cost of Acquisition of Equity Shares of Allcargo Logistics Limited (hereinafter referred to as the “**Demerged Company**”), Allcargo Terminals Ltd (hereinafter referred to as the “**Resulting Company 1**”) and TransIndia Real Estate Limited (formerly known-as Transindia Realty and Logistics Parks Limited) (hereinafter referred to as the “**Resulting Company 2**”) (Resulting Company 1 and Resulting Company 2 collectively known as “**Resulting Companies**”) pursuant to the Scheme of Arrangement and Demerger

1. The Scheme of Arrangement and Demerger between Demerged Company, Resulting Company 1, Resulting Company 2, and their respective shareholders (hereinafter referred to as the “**Scheme**”) under sections 230 to 232 of the Companies Act, 2013 and other applicable provisions was sanctioned by the Hon'ble National Company Law Tribunal, Maharashtra vide order No. 38. C.P.(CAA)/215/MB/2022, dated January 05, 2023.

The Appointed Date of the Scheme is April 1, 2022. Accordingly, with effect from the Appointed Date, the entire Demerged Undertakings (as defined in the scheme) of Demerged Company has been transferred and vested into Resulting Company 1 and Resulting Company 2.

2. As provided under the Scheme, the board of directors of Resulting Company 1 and Resulting Company 2, at the meetings held on April 24, 2023, issued and allotted to the shareholders of Demerged Company, one equity share of ₹ 2/- each, credited as fully paid up in the capital of Resulting Company 1 and Resulting Company 2, for every one fully paid up equity share of ₹ 2/- each held by them in Demerging Company as on the Record Date, i.e. April 18, 2023.
3. The above-mentioned demerger envisaged under the Scheme satisfies all conditions under Section 2(19AA) of the Income-tax Act, 1961 (“**IT Act**”), and hence, the demerger is tax neutral in the hands of shareholders of Allcargo Logistics Limited under the IT Act in view of the exemption granted under Section 47(vii) of the IT Act.
4. Accordingly, this communication has been hosted on the website of the Demerged Company for the general guidance of the shareholders of the Demerged Company, for computing the proportionate cost of acquisition of the equity shares of Resulting company 1 and Resulting Company 2, vis-à-vis the cost of acquisition of the original equity shares of the Demerged Company, for the purposes of computing capital gains or losses as per the provisions of the IT Act, as and when such equity shares are sold.
5. Accordingly, for the purposes of the IT Act, for a shareholder which holds the shares of Demerged Company as Capital Asset:
 - (a) the date of acquisition of the Equity Shares issued pursuant to the Scheme by Resulting Company 1 and Resulting Company 2 received by the shareholders of Demerged Company will be the date of acquisition of the original shares of Demerged Company as per Clause (g) of Explanation I to Section 2(42A) of the IT Act.

ALLCARGO LOGISTICS LIMITED

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- (b) the cost of acquisition of the Equity Shares issued pursuant to the Scheme by Resulting Company 1 and Resulting Company 2, as per Section 49(2C) of the IT Act, shall be the amount which bears to the cost of acquisition of shares of Demerged Company, the same proportion as the net book value of the assets transferred in the demerger bears to the net worth of the Demerged Company immediately before the demerger respectively for both Resultant Company 1 and Resulting Company 2.
- (c) the cost of acquisition of the original shares of Demerged Company held by a shareholder, as per Section 49(2D) of the IT Act, shall be deemed to have been reduced by the cost of acquisition of shares of both the Resulting Companies as referred to in sub- paragraph (b) above.

6. The proportion referred to in paragraph 5(b) for the purposes of the IT Act, is as under:

The net book value of assets which relate to the Demerged Company as on the Appointed Date (i.e. April 1, 2022) was ₹ 1,91,583 lakhs and the net book value of the assets transferred in the demerger to Resulting Company 1 and Resulting Company 2 was ₹ 14,562 lakhs and ₹ 89,602 lakhs respectively.

| Name of Company | Percentage of Cost of Acquisition of equity shares in Demerged and Resulting Company |
|--|--|
| Allcargo Logistics Limited (Demerged Company) | 45.63% |
| Allcargo Terminals Limited (Resulting Company 1) | 7.60% |
| Transindia Real Estate Limited (Erstwhile Transindia Realty and Logistics Parks Limited) (Resulting Company 2) | 46.77% |
| Total | 100.00% |

7. Accordingly, the cost of acquisition of equity shares of Resulting Company 1 and Resulting Company 2 should be 7.60% and 46.77% respectively, of the total cost of acquisition of the equity shares held in the Demerged company, prior to the demerger.

This communication related with computation of cost of acquisition is meant only for the purposes of providing general guidance to the shareholders of Allcargo Logistics Limited based on Company's understanding and hence, this should not be considered as a substitute for any independent opinion that the shareholder may obtain. Shareholders are advised to consult their own consultants to understand specific tax implications, in their respective cases. Determination of cost of acquisition is otherwise an involved exercise requiring application of Section 55(2)(ac) read with Section 112A of the Income Tax Act, 1961. The concerned regulatory, statutory or judicial authority, including any assessing officer / appropriate appellate authority, could take a different view. Allcargo Logistics Limited takes no express or implied liability in relation to this guidance.