



**NILA
INFRASTRUCTURES
LIMITED**

Nila/Cs/2018/237
Date: August 07, 2018

To,
The Department of Corporate Services
Bombay Stock Exchange Limited
Phirozee Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai- 400 001

To,
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051

Scrip Code: 530377

Scrip Symbol: NILAINFRA

Dear Sir/Madam,

Subject: Apportionment of Cost of Acquisition of Equity Shares of Nila Spaces Limited ('Nila Spaces' or 'the Company') / Nila Infrastructures Limited ('Nila Infra') pursuant to the Scheme of Arrangement

Please find enclosed herewith communication being issued for general guidance of the shareholders of the Company in relation to apportionment of the cost of acquisition of shares of the Company and Nila Spaces Limited as per the provisions of the Income Tax Act, 1961.

Please take note of the above information on your record.

Thanking you,
Yours faithfully,
For **Nila Infrastructures Limited**,


Dipen Parikh,
Company Secretary



Encl: a/a

Registered Office:
1st floor, Sambhaav House
Opp. Chief Justice's Bungalow
Bodakdev, Ahmedabad 380015
Tel.: +91 79 4003 6817 / 18, 2687 0258
Fax: +91 79 3012 6371
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FOR ATTENTION OF THE SHAREHOLDERS OF NILA INFRASTRUCTURES LIMITED

The Hon'ble National Company Law Tribunal, Bench at Ahmedabad has, *vide* its order dated 9th May, 2018 sanctioned the Scheme of Arrangement among Nila Infrastructures Limited ("Nila Infra" or "the Company") and Nila Spaces Limited ("Nila Spaces") and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Scheme").

In terms of the Scheme, with effect from 1st April 2017, the Real Estate Undertaking of the Company has been demerged and stands transferred and vested in Nila Spaces, on a going concern basis.

On 29 June 2018, Nila Spaces has allotted 1 (One) equity share of Rs.1/- (Rupee One Only) each of Nila Spaces credited as fully paid-up for every 1 (One) equity shares of Re.1/- (Rupee One Only) each held by the shareholder of the Company as on record date fixed for the purpose i.e. 15th June, 2018 pursuant to the Scheme.

For the purpose of determining the post demerger cost of acquisition of the equity shares of Nila Infra and the cost of equity shares of Nila Spaces under the provisions of Income Tax Act, 1961, the shareholders may consider to apportion their pre-demerger cost of acquisition of Nila Infra's equity shares in the following manner -

| Name of the Company | % of cost of acquisition of Nila Infra's shares |
|------------------------------|---|
| Nila Spaces Limited | 83.33% |
| Nila Infrastructures Limited | 16.67% |
| Total | 100% |

Accordingly, the cost of acquisition of equity shares allotted in Nila Spaces will be 83.33% of the total cost of acquisition of the equity shares held in Nila Infra prior to the demerger. The same is based on "net book value" of the assets of the demerged undertaking to the "net worth" of Nila Infra.



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Further, according to the provisions of Section 47(vi)(d) of the Income Tax Act, 1961 the issue of shares by Nila Spaces pursuant to the Scheme, to the equity shareholders of the Company in consideration of demerger of the Real Estate Undertaking will not be regarded as transfer.

Accordingly, the date of acquisition of shares of Nila Infra will be deemed to be the date of acquisition for equity shares of Nila Spaces too.

This communication is merely for the general guidance of the shareholders and should not be considered as a substitute for any independent opinion that the shareholders may obtain. The Company takes no express or implied liability in relation to this guidance. The concerned regulatory, statutory or judicial authority, including any assessing officer/appropriate appellate authority, could take a different view. Please note that if there is any change including change having a retrospective effect in the statutory laws and regulations, the comments expressed in this communication would be necessarily have to re-evaluated in light of changes. Nila Infra / Nila Spaces do not take the responsibility of updating this communication at any time in future

Ahmedabad, 7 August, 2018.



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