

February 01, 2024

BSE Limited P J Towers, Dalal Street, Fort, Mumbai – 400 001. Scrip Code: - 532771	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051. Symbol: – JHS
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Dear Sir/ Madam,

SUB: Disclosure under Regulation 30 of SEBI (LODR) Regulations, 2015 - Apportionment of the Cost of Acquisition of Demerged Company's shares between the equity shares of the Demerged Company and the Resulting Company as per the provisions of the Income-tax Act, 1961

REF: Composite Scheme of Arrangement for Demerger and Amalgamation between JHS Svendgaard Retail Ventures Private Limited ('Resulting Company') and JHS Svendgaard Brands Limited ('Transferor Company') and JHS Svendgaard Laboratories Limited ('Demerged Company' or 'Transferee Company') and their respective Shareholders and Creditors (the Scheme) under the provisions of Section 230-232 of the Companies Act, 2013

Please find attached guidance to the shareholders of the Company relating to the post demerger cost of acquisition of the equity shares of the Resulting Company and Demerged Company in terms of the provisions of the Income Tax Act, 1961.

Kindly note that 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 concerned regulatory, statutory or judicial authority, including any assessing officer/ appropriate appellate authority, could take a different view. The Company takes no express or implied liability in relation to this guidance. 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 necessarily have to be re-evaluated in light of the changes. Resulting/ Demerged Company does not take the responsibility of updating this communication at any time in future.

The same is also being uploaded on the website of the Company i.e., www.svendgaard.com.

Request you to kindly take the same on record and oblige.

**For & on behalf of
JHS Svendgaard Laboratories Limited**

**Komal Jha
Company Secretary & Compliance Officer
Membership No. 20356**

FOR THE ATTENTION OF THE SHAREHOLDERS OF
JHS SVENDGAARD LABORATORIES LIMITED

1. The Hon'ble National Company Law Tribunal, Bench at Chandigarh (NCLT) vide its Order dated August 10, 2023 has approved the Composite Scheme of Arrangement for Demerger and Amalgamation between JHS Svendgaard Retail Ventures Private Limited ('Resulting Company') and JHS Svendgaard Brands Limited ('Transferor Company') and JHS Svendgaard Laboratories Limited ('Demerged Company' or 'Transferee Company') and their respective Shareholders and Creditors (the Scheme) under the provisions of Section 230-232 of the Companies Act, 2013
2. As per the provisions of the Scheme, with effect from 01st April, 2021, the Retail Investment Division (Demerged Undertaking) of the Demerged Company has been demerged and stands transferred and vested in Resulting Company, on a going concern basis.
3. In accordance with the provisions of the Scheme, Resulting Company is required to issue and allot to the shareholders of Demerged Company, holding fully paid-up equity shares in the Demerged Company and whose names appear in the Register of Members/beneficial owners of the Demerger Company as on the Effective Date of the Scheme i.e. on August 28, 2023, in the ratio of 1 (One) Equity Share of Face value of RS. 10 (Rupees Ten) each at par in the Resulting Company for every 10 (Ten) Equity Shares of Face value of Rs. 10 (Rupees Ten) each held by them in Demerged Company.
4. This communication is being issued for general guidance of the shareholders of the Company in relation to the method of calculation and apportionment of the cost of acquisition of Demerged Company's shares between the equity shares of the Demerged Company and the Resulting Company as per the provisions of the Income-tax Act, 1961
5. Pursuant to Section 49(2C) and Section 49(2D) of the Income Tax Act, 1961, the cost of acquisition of shares of the Resulting Company shall be based on the ratio of "net book value" of the assets of the Demerged Undertaking to the "net worth" of the Demerged Company, immediately before the demerger. For the purpose of determining the post demerger cost of acquisition of the equity shares of the Resulting Company and the cost of equity shares of Demerged Company under the Income-tax Act, 1961, the shareholders are advised to apportion their pre-demerger cost of acquisition of the Demerged Company's equity shares in the following manner:

Name of the Company	Cost of Acquisition of Demerged Company shares post demerger
Demerged Company	96.66%
Resulting Company	3.44%
Total	100.00%

6. Accordingly, the cost of acquisition of equity shares allotted in the Resulting Company will be 3.44% of the total cost of acquisition of the equity shares held in the Demerged Company prior to the demerger.

7. The Company has been advised that as per Section 47(vi)(d) of the Income-tax Act, 1961, the issue of shares by the Resulting Company pursuant to the Scheme, will not be regarded as transfer and, accordingly, the date of acquisition of the equity shares of the Demerged Company will be deemed to be the date of acquisition for the equity shares of Resulting Company also.