

DOOGAR & ASSOCIATES

Chartered Accountants

Anant Raj Global Ltd.

C-3, Qutub Institutional Area,
Katwaria, Sarai,
New Delhi – 110016.

Apportionment of Cost of Acquisition of equity Shares of Anant Raj Ltd. (De-merged Company) and Anant Raj Global Ltd. (Resulting Company) in hands of shareholders. Post demerger of project division of demerged company.

1. In a scheme of Arrangement (“the scheme”) approved by the honorable, NCLT, Chandigarh Bench, as per order dated August 24, 2020 between Anant Raj Ltd.(ARL or the De-merged company)and Anant Raj Global Ltd. (AGRL or the Resulting company) and their respective shareholders and creditors, inter alia, the project division of ARL was transferred and vested in ARGL , with effect from the Appointed Date, being September30, 2018 as a going concern in accordance with Section 2(19AA) of the Income Tax Act, 1961.
2. In terms of the said scheme, ARGL is required to issue and allot to every member of ARL, holding fully paid up equity shares in ARL and whose names appear in the Register of Members of ARL on the Record Date i.e. October 7th, 2020 in the ratio of 1 (one) Equity Share of face value of Rs.2 each, fully paid up of AGRL for every 1 (one) Equity Share of Rs.2 each, fully paid up, held by such members in ARL.
3. Cost of acquisition of shares in ARGL upon demerger is required to be worked out for the purposes of the Act in accordance with the provisions of sub-section(2C) of Section 49 of the Act, which provides as under:
“The cost of acquisition of the shares in the resulting company shall be the amount which bears to all the cost of acquisition of shares held by the assessee in the demerged company the same proportion as the net book value of the assets transferred in a demerger bears to the net worth of the demerged company immediately before such demerger. “
4. The cost of acquisition of the original shares in a demerged company, is worked out in accordance with the provisions of sub-section(2D) of Section 49 of the Act, which provides as under:
“The cost of acquisition of the original shares held by the shareholder in the demerged company shall be deemed to have been reduced by the amount as so arrived at under sub-section (2C).”
5. Explanation to section 49 reads as under:
“Explanation – For the purposes of this section, “net worth shall mean the aggregate of the paid up share capital and general reserves as appearing in the books of account of the demerged company immediately before the demerger.”

Management Responsibility

6. The Management is responsible for ensuring that the company complies with the requirements of the scheme and Income Tax Act, 1961.



7. Our responsibility is only to examine and report that the apportionment of cost of Acquisition of Equity shares of ARL ('Demerged Company') and ARGL ('Resulting Company') post demerger of ARL is computed in accordance with Section 49(2C) and 49(2D) of the Income Tax Act, 1961.
8. We have conducted our examination of the statement in accordance with the "Guidance Note on Reports or Certificates for Special Purposes" ("the Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
9. We have complied with the relevant applicable requirements of Standard on Quality Control (SQC) 1, Quality Control for firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

Opinion

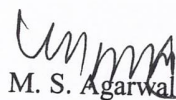
10. Based on our examination and the information and explanations given to us, in our opinion, the Cost of Acquisition of Equity Shares in ARL ('Demerged company') and ARGL ('Resulting company') as at September 30, 2018 is computed in accordance with Section 49(2C) and 49(2D) of Income Tax Act, 1961 and mentioned below:

Name of the Company	Percentage of Cost of Acquisition of ARL's equity shares post demerger
ARL	58%
ARGL	42%
Total	100%

Restrictions on Use

11. This report is provided to the management of the company for onward submission to BSE limited and National Stock Exchange of India Limited and the shareholders of ARL and ARGL. This report should not be used by any other person or for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N


M. S. Agarwal

(Partner)

Membership No. 086580



UDIN: 20086580AAAADB9541

Place: New Delhi

Date: October 20, 2020.