



MOHIT INDUSTRIES LTD.

AN ISO 9001:2008 CERTIFIED COMPANY

12th May, 2016

To,
The Secretary,
Deptt. Of Corporate Service,
Bombay Stock Exchange Limited,
1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001
REF: Script Code **531453**

The Manager
Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, c-1 Block G
Bandra- Kurla Complex, Bandra (E)
Mumbai- 400050
REF: Script Code **MOHITIND**

SUB: FOR THE ATTENTION OF COMPANY'S SHAREHOLDERS
COST OF ACQUISITION OF SHARES ON DEMERGER

Dear Sir,

We are submitting herewith Cost of Acquisition of Shares Pursuant to Scheme of Arrangement cum Demerger for the Attention of Company's Shareholders.

You are requested to take above on record and disseminate to all the concerned.

Thanking you

Yours faithfully

For Mohit Industries Limited

Narayan Sitaram Saboo
Managing Director

Enclosed: As Above

CIN No. : L17119GJ1991PLC015074

A/601 B, International Trade Centre, Majura Gate, Ring Road, Surat-395 002.

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FOR THE ATTENTION OF COMPANY'S SHAREHOLDERS

Cost of Acquisition of Shares on Demerger

Dear Shareholders,

The Hon'ble high court of Gujarat has, vide its order dated 22nd February, 2016 sanctioned the Scheme of Arrangement and Demerger between Mohit Industries Limited ('MIL' or 'The Demerged Company') and Bigbloc Construction Limited ('BCL' or 'The Resulting Company') and their respective Shareholders and Creditors under Section 391 to 394 read with section 100 to 103 of the Companies Act 1956 ("the Scheme"). The Scheme involves demerger of AAC (Aerated Autoclaved Concrete) Block Business of Mohit Industries Limited into Bigbloc Construction Limited with effect from appointed date i.e 01st April, 2015.

In terms of the above Scheme, Bigbloc Construction Limited is required to issue and allot to each members of Mohit Industries Limited whose name appears in the register of members and in record of Mohit Industries Limited as on the record date in the following ratio – 1 (One) equity share in Bigbloc Construction Limited for every 1(One) equity share held by the equity shareholder in Mohit Industries Limited.

Mohit Industries Limited has fixed 31st March, 2016 as the Record Date to determine its shareholders who would be entitled to the share of Bigbloc Construction Limited as aforesaid, pursuant to the Scheme.

Accordingly, the Board of Directors of Bigbloc Construction Limited has on 30th April, 2016 allotted Equity shares to those shareholders of Mohit Industries Limited whose name appeared in the Register of Members as on the Record Date.

We wish to inform the Shareholders the Proportionate cost of acquisition of the equity shares of Bigbloc Construction Limited received pursuant to the Scheme vis-à-vis the cost of acquisition of the equity shares of Mohit Industries Limited for purpose of computing the capital gain/loss as per the provision of the Income tax Act, 1961 ("the Act")

The Cost of Acquisition in respect of each shareholders will be different and is relevant only in case where shares of Mohit Industries Limited were acquired/bought before record date i.e 31st March, 2016.

Applicable Statutory Provisions: Section 49(2C) and 49(2D) of the Act.

Cost of Acquisition of shares of the Resulting company i.e. Bigbloc Construction Limited	Original Cost of Acquisition of shares of Demerged Company	Net Book value of Assets transferred by the Demerged Company as the Appointed date ----- X Net worth of the Demerged company immediately before Demerger
Cost of Acquisition of Demerged company's share i.e. Mohit Industries Limited	Original Cost of Acquisition of shares of the Demerged Company less cost of Acquisition of Resulting Company's share (as computed under 1 above)	

The net book value of assets which related to AAC Block Business as on the Appointed date (i. e 01st April, 2015) was Rs. 2384 lacs, while the net worth of Mohit Industries Limited before Demerger was Rs. 4727 lacs.

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Thus, the proportionate of net book value of the assets of Mohit Industries Limited transferred to Bigbloc Construction Limited vis-a-vis the net worth of Mohit Industries Limited before such Demerger will be 50%. Accordingly, the cost of acquisition of equity shares of Bigbloc Construction Limited will be 50% respectively of the total cost of acquisition of the original equity share of Mohit Industries Limited prior to such demerger.

To determined post demerger cost of acquisition of Equity Share(s) of Mohit Industries Limited and Bigbloc Construction Limited in accordance with the provisions of the Act, the shareholders are advised to apportion their pre-demerger cost of equity shares of Mohit Industries Limited in the following manner: -

Name of the Company	% Cost of acquisition of Mohit Industries Limited's Share
Mohit Industries Limited	50%
Bigbloc Construction Limited	50%
TOTAL	100%

As regards the equity share(s) of Bigbloc Construction Limited credited to your demat account / share certificate received by you, as the case may be, the date of acquisition for the purpose of capital gains / loss will be the date of acquisition of the original share(s) of Mohit Industries Limited for each shareholder as per clause (g) in Explanation 1 to section 2(42A) of the Income Tax Act, 1961. Kindly consult your tax advisors, having regard to the facts of your case.

Further, the company has been advised that according to the provisions of section 47(vii) of the Act, the issue of share(s) by Resulting Company (i.e. Bigbloc Construction Limited) to the shareholders of the Demerged Company (i.e. Mohit Industries Limited), pursuant to the Scheme, will not be regarded as transfer and hence will not be taxable in the hands of the shareholder.

We trust this explains the position clearly and would help you to compute the cost of acquisition per share individually for Mohit Industries Limited and Bigbloc Construction Limited, if and when the shares are sold attracting capital gains / loss under the Act. The shareholders are advised to seek legal opinion, should they feel it necessary.

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 and Mohit Industries Limited or Bigbloc Construction Limited take no express or implied liability in relation to this guidance.

Please note that if there is change, including change having a retrospective effect in the statutory laws and regulations, the comments expressed in this communication would necessarily have to re-evaluate in light of the changes. Mohit Industries Limited or Bigbloc Construction Limited do not take the responsibility of updating this communication at any time in future.

Thanking you

Yours faithfully

For Mohit Industries Limited

Narayan Sitaram Saboo
Managing Director

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