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The investors' taxability, when they seek to monetise their shareholding, in either of the two entities would also be impacted and investors should bear the following in mind:

• The Investors would be benefitted, since the period of holding even for the new shares of JFS, shall be counted from the date of acquisition of the shares of RIL. A longer holding period would lead to resultant long-term gains being taxed at a lower rate.

• Further the price paid by the investors originally, towards the shares of RIL would need to be split between the shares of JFSL and shares of RIL:

• Cost of acquisition for the shares of JFS would need to be apportioned based on the proportion of the assets transferred to the JFS in the demerger process, vis-à-vis, net worth of the demerged company immediately before such demerger process was undertaken. The balance cost shall be allocated towards the original shares in the demerged company, RIL

- RIL made a declaration with respect to the above, stating that the cost of acquisition for RIL would be split between RIL and JFSL in the ratio of 95.32% and 4.68% respectively.
- Thus, the investors who held shares in RIL on the record date would now hold shares in RIL and JFS and would need to wait out for the resultant JFSL to get listed and watch out for the tax implications that would be entailed on the sale of such shares.