



Gupta Agarwal & Associates

CHARTERED ACCOUNTANTS

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To,
The Board of Directors,
Gretex Share Broking Limited
A-401, Floor 4th, Plot FP-616, (PT),
Naman Midtown, Senapati Bapat Marg,
Near Indiabulls, Dadar (w),
Delisle Road, Mumbai, Maharashtra-400013, India

Dear Sirs,

Re: Proposed initial public offering of equity shares of face value of Rs. 10/- each (the "Equity Shares") of Gretex Share Broking Limited (the "Company") and Offer for Sale by the Selling Shareholders (the "Offer")

Sub.: Statement of possible Special Tax Benefits available to the Company, its equity shareholders and its subsidiary under the direct and indirect tax laws

We report that the enclosed statement in Annexure A, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Act, 1961 ('Act'), as amended by the Finance Act, 2023 i.e. applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25 and other direct tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither are we suggesting nor advising the investor to invest money based on this statement.

We do not express any opinion or provide any assurance as to whether:

- The Company or its shareholders will continue to obtain these benefits in future; or
- The conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company. We shall not be liable to the Company for any claims, liabilities or expenses arising from facts and disclosure in statement of tax benefits determined to have resulted primarily from bad faith or intentional misrepresentation. We will not be liable to any other person in respect of this Statement



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We hereby give consent to include this statement of tax benefits in the Draft Red Herring Prospectus ("DRHP"), Updated Draft Red Herring Prospectus ("UDRHP"), the Red Herring Prospectus ("RHP") and the Prospectus and submission of this certificate as may be necessary, to the Securities and Exchange Board of India ("SEBI"), the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") (collectively referred as "Stock Exchanges") where the Equity Shares are proposed to be listed and the Registrar of Companies, Mumbai at Maharashtra ("RoC") or any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Issue and in accordance with applicable law. This certificate may be relied upon by the Book Running Lead Manager and the legal counsel in relation to the Issue.

For Gupta Agarwal & Associates
Chartered Accountants
Firm's Registration No: 329001E

~~Jay Shanker Gupta~~
Partner

Membership No: 059535

UDIN: 23059535BGSXER5217

Place: Kolkata

Date: December 11, 2023





ANNEXURE-A TO THE STATEMENT OF STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

UNDER THE DIRECT TAX LAWS (THE INCOME TAX ACT, 1961)

1. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

Gretex Share Broking Limited ("the Company") is an Indian Company, subject to tax in India. The Company is taxed on its profits. Profits are computed after allowing all reasonable business expenditure, laid out wholly and exclusively for the purposes of the business, including depreciation. Considering the activities and the business of the Company, the following special tax benefits may be available to them.

a) **Lower corporate tax rate under Section 115BAA of the Act and MAT credit under Section 115JAA of the Act:**

A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 (the "Amendment Act, 2019") w.e.f. FY 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.17% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/incentives.

The option under Section 115BAA of the Act once exercised cannot be subsequently withdrawn for the same or any future financial year.

The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ("MAT") under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

2. SPECIAL TAX BENEFITS AVAILABLE TO SHAREHOLDERS

The Shareholders of the Issuer Company (Gretex Share Broking Limited) are not entitled to any special tax benefits under the Direct and Indirect Tax Laws, as presently applicable.

Note:

1. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law. The above statement of possible special tax benefits is as per the current direct tax laws. Several of these benefits are dependent on the Company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.

2. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme.

For Gupta Agarwal & Associates
Chartered Accountants
Firm's Registration No: 329001E

Jay Shanker Gupta
Partner

Membership No: 059535

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