

P.M. BAGRECHA & CO.

CHARTERED ACCOUNTANTS

208, SKYLON COMPLEX, 2ND FLOOR, NEAR GIDC, CHAR RASTA,
SILVASSA ROAD, VAPI - 396 195, DIST. VALSAD (GUJ.)



STATEMENT OF POSSIBLE TAX BENEFITS

To,

The Board of Directors,
Shree TNB Polymers Limited
SR.NO.132/1/14, Behind Prince Pipes,
Athal Road, Athal, Silvassa, Dadra & Nagar
Haveli, India, 396230

Dear Sir,

Sub: Statement of Possible Special Tax Benefits available to Shree TNB Polymers Limited ("Company") and its Equity Shareholders prepared in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR") and the Companies Act, 2013, as amended (the "Act").

We hereby report that the accompanying Statement, prepared by the **Shree TNB Polymers Limited**, states the Possible Special Tax Benefits available to the Company and Shareholders of the Company (hereinafter referred to as "**the Statement**") under the Income Tax Act, 1961/ Income Tax Act, 2025 (read with Income Tax Rules, Circulars, Notifications) as amended by the Finance Act, 2021/ Finance Act, 2026 presently in force in India (together referred to as the "**Direct Tax Laws**"), the Goods and Service Tax Act & Customs Act, 1962 (read with Rules, Circulars, Notifications) presently in force in India (together referred to as the "**Indirect Tax Laws**").

These Possible Special Tax Benefits are dependent on the Company and/or the Company's Shareholders fulfilling the conditions prescribed under relevant Direct Tax Laws, Indirect Tax Laws and Other Laws. Hence, the ability of the Company or the Company's Shareholders to derive these Possible Special Tax Benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the Company's Shareholders may or may not choose to fulfil. The Company does not have any subsidiary as on date of the **Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus**.

The benefits discussed in the enclosed Statement are not exhaustive and only cover the Possible Special Direct and Indirect Tax Benefits available to the Company and the Company's Shareholders. The Statement is neither designed nor intended to be a substitute for Professional Tax advice and 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 proposed Initial Public Offering of Equity Shares of the Company.

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

- a) the Company or its Shareholders will continue to obtain these Possible Special Tax Benefits in future; or
- b) the conditions prescribed for availing the Possible Special Tax Benefits, where applicable, have been/would be met with; and

The contents of this Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the Business Activities and Operations of the Company.

No assurance is given that the Revenue Authorities/ Courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" ("**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.



We hereby give consent to include this Statement in the **Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus**.in connection with the proposed Initial Public Offering by the Company.

Your's Sincerely,

For P.M. Bagrecha & Co.

Chartered Accountants

Firm Registration Number: 100860W



CA Parasmal S. Bagrecha

Partner

Membership Number: 039816

Place: Vapi

Date: 29th August, 2026

UDIN: 26039816UUDBHR3049



STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND COMPANY'S SHAREHOLDERS

The information provided below sets out the Possible Special Direct Tax Benefits available to **Shree TNB Polymers Limited** ("the Company") and its Shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership, and disposal of Equity Shares of the Company, under the Income- Tax Act, 1961/ Income Tax Act, 2025 (as amended by the Finance Act 2021/ Finance Act, 2026) read with Income Tax Rules, 1962/ Income Tax Rules, 2026, Circulars, Notifications, the Central Goods and Services Tax Act, 2017, The Integrated Goods and Services Tax Act, 2017, the State/ U.T. Goods and Services Tax Act, 2017 as passed by respective State Governments from where the Company and its Shareholders operate and applicable to the Company and its Shareholders, Customs Act 1962 and Foreign Trade Policy 2023 (as extended) including the Rules, Regulations, Circulars and Notifications issued there under (**collectively referred as "Taxation Laws"**) presently in force in India.

Investors are advised to consult their own Tax Consultant with respect to the tax implications of an investment and consequences of purchasing, owning and disposing of Equity Shares in the securities, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail in their particular situation.

A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

1. Direct Tax

There are no special direct tax benefits available to the Company.

2. Indirect Tax

There are no special indirect tax benefits available to the Company.

B. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY

1. Direct Tax

There are no special direct tax benefits available to the Shareholders of the Company.

2. Indirect Tax

There are no special indirect tax benefits available to the Shareholders of the Company.

NOTES:

1. The above Annexure of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
2. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
3. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the assessment year 2026-27. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.



4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
5. A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act, 2019') with effect from Financial Year 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (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 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.

In such a case, the Company is not allowed to claim any of the following deductions/ exemptions under the Act: -

- Deduction under the provisions of Section 10AA.
- Deduction under clause (iia) of sub-section (1) of Section 32 (additional depreciation).
- Deduction under section 32AD or Section 33AB or Section 33ABA
- Deduction under section 35AD or Section 35CCC
- Deduction under section 80G

Lower corporate tax rate under Section 115BAA of the Act and Minimum Alternate Tax ('MAT') credit under section 115JAA of the Act which are in general available and hence may not be treated as special tax benefits.

Accordingly, the company has evaluated and decided to exercise the option permitted under section 115BAA of the Act for the purpose of computing its income tax liability for the Financial year 2024-25 and onwards.

6. This Annexure is intended only 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 tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
7. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.
8. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.
9. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

