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STATEMENT OF SPECIAL TAX BENEFITS

Date: August 22, 2025

The Board of Directors,
Euro Pratik Sales Limited

(Formerly known as Euro Pratik Sales Private Limited)

601-602, 6th Floor, Peninsula Heights
C.D. Barfiwala Lane, Andheri (West)
Mumbai 400 058
Maharashtra, India

Dear Sirs/ Madams,

Sub: Statement of possible special tax benefit (the “Statement”) available to Euro Pratik Sales Limited (the “Company”), its Material Subsidiary and its shareholders prepared to comply with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 as amended (the “SEBI ICDR Regulations) in connection with the proposed initial public offering of equity shares of face value of ₹ 1 each (the “Equity Shares”) of the Company (such offering, the “Offer”)

We, M/s. Monika Jain & Co Chartered Accountants and M/s. C N K & Associates LLP, Chartered Accountants, (hereinafter collectively referred as “**Joint Statutory Auditors**”), hereby confirm that the enclosed **Annexure A**, prepared by the Company and initialled by us for identification purpose (“**Statement**”) for the Offer, provides the possible special tax benefits available to the Company, its Material Subsidiary and to its shareholders under direct tax and indirect tax laws presently in force in India, including the Finance Act 2025, Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively, “**GST Act**”), Customs Act, 1962 and the Customs Tariff Act, 1975 (read with the rules, circulars and notifications issued in connection thereto) as presently in force and applicable to the Financial Year 2024-25 (Assessment Year 2025-26). Several of these benefits are dependent on the Company, its material subsidiary or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company, its material subsidiary and/or its shareholders identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the SEBI ICDR Regulations. While the term ‘special tax benefits’ has not been defined under the SEBI ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in the **Annexure A**. Any benefits under the taxation laws other than those specified in **Annexure A** are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those mentioned in the **Annexure A** have not been examined and covered by this statement.

We have conducted our review in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes’ issued by the Institute of Chartered Accountants of India (“**ICAI**”) which requires that we comply with ethical

requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this statement we have complied with the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the 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.

The benefits discussed in the enclosed Statement are not exhaustive. The 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 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 Offer.

In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

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

1. the Company or its material subsidiary and/or its shareholders will continue to obtain these benefits in the future;
or
2. the conditions prescribed for availing of the benefits, where applicable have been/would be met with.
3. The revenue authorities/courts will concur with the views expressed herein.

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.

We hereby consent to be named an “expert” under the Companies Act, 2013, as amended, and our name may be disclosed as an expert to any applicable legal or regulatory authority insofar as may be required, in relation to the statements contained therein. We further confirm that we are not and have not been engaged or interested in the formation or promotion or management of the Company.

We have carried out our work on the basis of Restated Consolidated Financial Information and other documents, public domain and information made available to us by the Company, which has formed substantial basis for this Statement.

We hereby consent to our name and the aforementioned details being included in the Offer Documents and/or consent to the submission of this certificate as may be necessary, to any regulatory/ statutory authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law.

This certificate may be relied on by the BRLMs, their affiliates and legal counsels in relation to the Offer and to assist the BRLMs in conducting and documenting their investigation of the affairs of the Company in connection with the Offer. We hereby consent to this certificate being disclosed by the BRLMs, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We undertake to immediately communicate, in writing, any changes to the above information/ confirmations to the BRLMs and the Company until the equity shares transferred in the Offer commence trading on the relevant stock exchanges. In the absence of any such communication from us, the Company, the BRLMs and the legal advisors appointed

with respect to Offer can assume that there is no change to the information/ confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

Yours faithfully,

For Monika Jain & Co.

Chartered Accountants

Firm Registration No: 130708W

For C N K & Associates LLP

Chartered Accountants

Firm Registration No: 101961W/ W – 100036

Ronak Gandhi

Partner

Membership No: 169755

Hiren Shah

Partner

Membership No: 100052

Date: August 22, 2025

Place: Mumbai

Date: August 22, 2025

Place: Mumbai

UDIN: 25169755BMHVJN5805

UDIN: 25100052BMHUUC8129

REF: REF/CERT/VLP/294/2025-26

Copy To:

Legal counsel to the Book Running Lead Managers, as to Indian laws

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ANNEXURE A
Statement of Tax Benefits

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY , ITS MATERIAL SUBSIDIARY AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the SEBI ICDR Regulations. While the term '*special tax benefits*' has not been defined under the SEBI ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in this Annexure. Any benefits under the taxation laws other than those specified in this Annexure are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those mentioned in this Annexure have not been reviewed and covered by this statement.

Outlined below are the possible special tax benefits available to the Company and its Shareholders and its Material Subsidiary under the Tax Laws ("**Possible Special Tax Benefits**"). These possible special tax benefits are dependent on the Company and its Shareholders and its Material Subsidiary fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company or its Shareholders or its Material Subsidiary to derive the possible special tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIARY AND ITS SHAREHOLDERS

The provision of the law stated below sets out only the special tax benefits available to the Company, its material subsidiary and its shareholders under the Income tax Act, 1961 ('the IT Act') as amended.

I. Special Direct tax benefits available to the Company

1. Lower Corporate Tax Rate under section 115BAA of the IT Act

In accordance with and subject to fulfilment of conditions as laid out under Section 115BAA of the IT Act. Section 115BAA grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). However, such a company will no longer be eligible to avail specified exemptions/ incentives under the IT Act and will also need to comply with the other conditions specified in section 115BAA.

Section 115BAA further, provides that domestic companies availing such option will not be required to pay Minimum Alternat Tax ("**MAT**") on their book profits under Section 115JB of the IT Act. Also, if a company opts for section 115BAA, the tax credit (under section 115JAA of the IT Act), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available. The option is subject to the condition that the Company forgoes certain specified deductions and incentives under the IT Act, such as those under section 10AA, additional depreciation under section 32(1)(iia), deductions under section 35AD, Chapter VI-A deductions except for provisions of Section 80JJAA and Section 80M, among others. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

The Company has decided to opt for the lower corporate tax rate of 25.17% (prescribed under section 115BAA of the IT Act) with effect from FY 2019-20 (AY 2020-21) onwards. Accordingly, the deferred tax asset/liability in the restated financial statements for FY 2019-20 has been recomputed using the lower tax rate of 25.168%.

2. Deduction in respect to Inter- Corporate Dividends - Section 80M of the IT Act

In accordance with the provisions of Section 80M of the IT Act, a domestic company shall be allowed to claim a deduction of dividend income earned from any other domestic company or a foreign company or a business trust provided it is further distributed to its shareholders. The amount of deduction so claimed should not exceed the amount of dividend distributed by it on or before the due date. The “due date” means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the IT Act.

3. Tax on Capital Gains

The tax rate on Long Term Capital Gains (LTCG) arising from the transfer of long-term capital assets under section 112 of the IT Act is 12.5% (without the benefit of Indexation).

LTCG arising from the sale of listed equity shares, units of an equity oriented fund or unit of a business trust covered under section 112A of the IT Act shall be taxed at the rate of 12.5% on the amount exceeding ₹ 1.25 Lakhs.

Short Term Capital Gains (STCG) arising from the transfer of short-term capital assets (other than listed equity shares, unit of an equity oriented fund or unit of a business trust covered under section 111A of the IT Act), shall be taxed at the normal tax rate of the Company.

STCG arising on the sale of listed equity shares, unit of an equity-oriented fund or unit of a business trust covered under section 111A of the IT Act shall be taxed at the rate of 20%.

4. Relief under section 90 / 90A of the IT Act

Where the Company earns income from a foreign country and such income is subjected to tax in that foreign jurisdiction, relief from double taxation is available in India in accordance with the provisions of section 90 or section 90A of the IT Act.

If India has entered into a Double Taxation Avoidance Agreement (DTAA) with the foreign country (section 90) or specified association (section 90A), the Company is eligible to claim relief either by way of exemption of such income in India (if provided under the applicable DTAA), or by way of Foreign Tax Credit (FTC) in respect of taxes paid in the foreign country, against the tax liability in India, subject to the provisions of the IT Act and the applicable DTAA. Such relief ensures that the same income is not taxed twice – once in the source country and again in the residence country.

II. Special Direct tax benefits available to the Material Subsidiary

The Special Tax Benefits available to the Material Subsidiary under Direct Tax Laws are identical to the benefits mentioned for the company.

III. Special Direct tax benefits available to Shareholders

1. Tax on Dividend Income earned by the shareholders

Dividend Income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, the deduction under Section 80M of the IT Act would be applicable on fulfilling certain conditions as discussed. Further, in case of shareholders, who are resident individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, and every artificial juridical person, surcharge would be restricted to 15% in respect of dividend income. Also, as per section 115A of the IT Act,

dividend income earned by a non-resident (not being a company) or by a foreign company shall be taxed at the rate of 20% subject to fulfilment of prescribed conditions under the IT Act.

2. Tax on Short Term Capital Gain

STCG under Section 111A of the IT Act, on transfer of short term capital asset, being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust shares through Recognised Stock Exchange and Securities Transaction Tax has been paid/ payable on such transfer, is taxed at a concessional rate of **20%** with applicable cess. The STCG not covered under section 111A of the IT Act, are chargeable to tax as per the relevant rate applicable to the shareholder plus applicable surcharge and education cess.

3. Tax on Long Term Capital Gain

LTCG under Section 112A of the IT Act, on transfer of an equity share, or a unit of an equity oriented fund or a unit of business trust through Recognised Stock Exchange and Securities Transaction Tax has been paid/ payable on such transfer, is taxed at a concessional rate of **12.5%** (without indexation) on capital Gains exceeding ₹ 1.25 Lakhs plus applicable surcharge and cess.

4. Exemption for Certain Shareholder Categories

Charitable institutions, pension funds, sovereign wealth funds, and venture capital funds/companies registered with SEBI or exempt under specific sections (like 10(23FE), 10(23FB), etc.) may get exemption on dividend or capital gains income if investment conditions are met. These are entity specific, not general benefits for all shareholders.

5. Special Provisions for Non-resident shareholders

As per section 90(2) of the IT Act, non-resident shareholders will be entitled to be governed by the beneficial provisions under the respective DTAA, if any, applicable to such non-residents. This is subject to fulfilment of conditions prescribed to avail treaty benefits. Further, any income by way of capital gains accruing to non-residents, may be subject to withholding tax as per the provisions of the IT Act or under the relevant DTAA, whichever is beneficial.

However, where such non-resident has obtained a lower withholding tax certificate from the tax authorities, the withholding tax rate would be as per the said certificate. The non-resident shareholders may be able to avail credit for any taxes paid by them in India, subject to local laws of the country in which such shareholder is resident.

SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIARY AND ITS SHAREHOLDERS

There are no special tax benefits available to the Company, its material subsidiaries and shareholders pursuant to indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto.

Notes:

- i. The above is as per the current tax laws, as amended from time to time.
- ii. The above Statement of possible 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 the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
- iii. The possible special tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.
- iv. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The Shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

- v. The tax benefits discussed in the Statement are not exhaustive and are only intended to provide general information to the investors and hence, 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.
- vi. The above Statement of Tax benefits sets out the special tax benefits available to the Company, its material subsidiaries, and its shareholders under the tax laws mentioned above.
- vii. The above Statement covers only above-mentioned tax laws benefits and does not cover any general tax benefits under any other law.
- viii. This Statement 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/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- ix. 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 changes from time to time. We do not assume responsibility to update the views consequent to such changes.

This statement does not discuss any tax consequences under any law for the time being in force, as applicable of any country outside India. The shareholders / investors are advised to consult their own professional advisors regarding possible tax consequences that apply to them in any country other than India.