

STATEMENT OF TAX BENEFITS

Date: 24th June 2025

To,
The Board of Directors,
Patel Retail Limited
Plot no. M-2, Anand Nagar,
Additional MIDC,
Ambernath (East) - 421506,
Maharashtra, India

Fedex Securities Private Limited
B 7, 3rd Floor, Jay Chambers,
Dayaldas Road, Vile Parle (East),
Mumbai - 400057,
Maharashtra, India

(Fedex Securities Private Limited is hereinafter referred to as the “Book Running Lead Manager” or “BRLM”)

Dear Sir/Madam,

Subject: Proposed Initial Public Offering of equity shares (“Equity Shares”) of face value of Rs. 10/- each of Patel Retail Limited (“Company”) and an Offer for Sale of Equity Shares (the Offer for Sale, together with the Fresh Issue “Offer”)

We, Kanu Doshi Associates LLP., Chartered Accountants, statutory auditors of the Company, hereby confirm that the ‘Statement of Special Tax Benefits’, enclosed herewith as Annexure A, prepared by the Company and initialled by us and the Company (the “Statement”), provides the special tax benefits (under direct and indirect tax laws) available to the Company, to its shareholders pursuant to (i) the Income-tax Act, 1961, as amended and read with the rules, circulars and notifications issued in relation thereto; and (ii) applicable indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto. (“Taxation Laws”), as applicable to the assessment year 2025-26 relevant to the financial year 2024-25, available to the Company and its shareholders. The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 (“GST Acts”), as amended by the Finance Act 2023 read with relevant rules, circular and notifications issued from time to time, applicable for the Financial Year 2024-25, presently in force in India. Customs Act, 1962 and the Customs Tariff Act, 1975 including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws and the Foreign Trade Policy 2015-2020 (as extended till March 31, 2023 vide Notification dated September 29, 2022) and Foreign Trade Policy 2023 notified vide Notification No 01/2023 and shall come into force from April 01, 2023 (unless otherwise specified) (“FTP”) presently in force in India for inclusion in the Red Herring Prospectus (“RHP”) and the Prospectus.



There is no material subsidiary of the Company identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Several of such possible special tax benefits forming part of the Statement are dependent on the Company and/or its shareholders fulfilling applicable conditions prescribed within the relevant statutory provisions and accordingly, the ability of the Company and/or its shareholders to derive such possible special tax benefits is entirely dependent upon the lawful fulfilment of such conditions by the Company and/or its shareholders, as applicable.

This Statement of Special Tax Benefits is required as per paragraph (9)(L) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('SEBI ICDR Regulations'). While the term 'tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to tax benefits available to the Company, the same would include those benefits as enumerated in the statement. Any benefits under the Taxation Laws other than those specified in the statement 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 specifically mentioned in the statement, have not been examined and covered by this statement.

Several of the direct tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct taxation laws including the Income-tax Act 1961. Hence the ability of the Company and/or its shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions which could be dependent on business / other imperatives the Company/ shareholders may face and accordingly, the Company or its shareholders may not choose to fulfill

The special tax benefits discussed within the Statement are not exhaustive and are intended to provide an illustrative understanding to prospective investors with respect to the special tax benefits available to the Company and/or its shareholders 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 prospective investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

The benefits outlined in the enclosed statement based on the information and particulars provided by the Company are neither exhaustive nor conclusive.

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

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

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, issued by the ICAI.

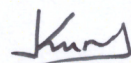
We shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency

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 hereby give our consent to include this report and enclosed Annexures regarding tax benefits available to the Company and its shareholders in the RHP and Prospectus for the proposed initial public offer of equity shares which the Company intends to file with the Securities and Exchange Board of India ("SEBI"), the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (BSE and NSE are collectively referred to as "Stock Exchanges"), Registrar of Companies ("RoC") and/or other regulatory authorities, as may be required, pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and other applicable laws, as amended from time to time and/or and in such other advertisements / any other material documents to be issued or submitted in relation to the Offer by or on behalf of the Company where the equity shares of the Company proposed to be listed, as applicable, provided that the below statement of limitation is included in the RHP. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

Yours faithfully,

For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration No. 104746W/W100096



Kunal Vakharia
Partner
Membership No. 148916
UDIN: 25148916BMKNML9359
Place: Mumbai



ANNEXURE I

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS (DIRECT TAXES) AVAILABLE TO PATEL RETAIL LIMITED ("COMPANY") AND TO ITS SHAREHOLDERS UNDER THE APPLICABLE TAXATION LAWS IN INDIA:

Outlined below are the special tax benefits available to Patel Retail Limited (the "Company") and its Shareholders under the Income Tax Act, 1961 (the "Act") as amended by the Finance Act, 2024 read with relevant rules, circular and notifications issued from time to time, applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, 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.

The statement below covers only relevant direct tax law benefits and does not cover benefits under any other law.

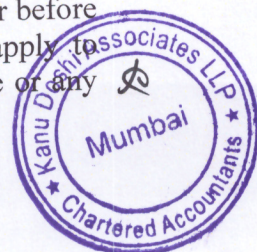
Under the Income Tax Act, 1961:

Direct Tax Benefits available to the Company under the Income Tax Act, 1961

The statement of tax benefits outlined below is as per the Income-tax Act, 1961 read with Income Tax Rules, circulars, notifications ("Income Tax Law"), as amended from time to time and applicable for financial year 2024-25 relevant to assessment year 2025-26. These tax benefits are dependent on the Company fulfilling the conditions prescribed under the Income Tax Law. Hence, the ability of the Company to derive the 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 fulfill

A. Lower corporate tax rate under Section 115BAA of the Income-tax Act, 1961 ("the Act"):

- Section 115BAA of the Act, as inserted vide the Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a corporate tax rate of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax ('MAT') would not be applicable and unutilized MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, shall apply to subsequent AYs and cannot be subsequently withdrawn for the same or any



other assessment year Further, if the conditions mentioned in section 115BAA of the Act are not satisfied in any year, the option exercised shall become invalid in respect of such year and subsequent years, and the other provisions of the Act shall apply as if the option under section 115BAA had not been exercised.

The company has represented to us that they have opted for section 115BAA of the Act from the Assessment Year 2020-2021 onwards

The Company may claim such beneficial tax rate in future years subject to giving away any other income-tax benefits under the Act (other than the deduction available under section 80JJAA and 80M of the Act) and fulfilling the then prevailing provisions under the Act.

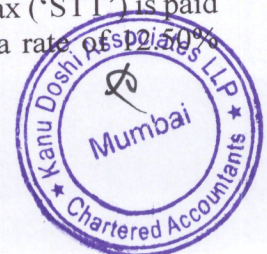
- Subject to the fulfilment of prescribed conditions, the Company is entitled to claim deduction under section 80JJAA of the Act with respect to an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business, for three assessment years including the assessment year relevant in which such employment is provided. Further, where the Company wishes to claim such possible tax benefit, it shall obtain necessary certification from Chartered Accountant on fulfilment of the conditions under the extant provisions of the Act.

B. Special tax benefits available to the shareholders of the Company

The Company would be required to deduct tax at source on the dividend paid to the shareholders, at applicable rates. In case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend. The shareholders would be eligible to claim the credit of such tax in their return of income. In case of Non-resident shareholders the company is required to deduct Tax at Source ("TDS") on the amount of dividend paid/distributed at applicable rate specified under the Act read with applicable Double Taxation Avoidance Agreement (if any), subject to eligibility. However, as per the provisions of section 194 of the Act, no deduction of tax at source would be required in case of an individual, where dividend is distributed in modes other than cash and the aggregate amount of such dividends distributed during the year by the company to the shareholder does not exceed Rs. 5,000.

There is no special tax benefit available to the shareholders of Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the Act.

- Section 112A of the Act provides for concessional rate of tax on long term capital gain arising on transfer of equity shares with effect from April 1, 2024 (i.e., Assessment Year 2025-26) subject to conditions. Any long term capital gain, exceeding INR 1,25,000 arising from the transfer of a long term capital asset (i.e., capital asset held for the period of 12 months or more) being an Equity Share in a company wherein Securities Transaction Tax ('STT') is paid on both acquisition and transfer, income tax is charged at a rate of 12.5% without giving effect to indexation.



- Section 111A of the Act provides for concessional rate of tax @ 20.00% in respect of short-term capital gains (provided the short-term capital gains exceed the basic threshold limit of income exemption, where applicable) arising from the transfer of a short-term capital asset (i.e., capital asset held for the period of less than 12 months) being an Equity Share in a company or wherein STT is paid on both acquisition and transfer.

As per Section 111A of the Act, short term capital gains arising from transfer of equity shares in a company transacted through a recognized stock exchange and chargeable to Securities Transaction Tax ("STT"), shall be taxed at 15% plus applicable surcharge and cess in case of transfer of shares before 23 July 2024 and at the rate of 20% plus applicable surcharge and cess in case of transfer of shares on or after 23 July 2024, subject to fulfilment of prescribed conditions under the Act

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 shareholder has fiscal domicile.

Notes:

1. The above statement sets out the provisions of law 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 statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefit(s) under any other law.
3. The above statement of possible direct tax benefits is as per the current Income Tax Act, 1961, applicable for the Financial Year 2024-25, relevant to the Assessment Year 2025-26, presently in force in India.
4. 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 tax consequences and the changing tax laws, each investor is advised to consult his / her own tax advisor with respect to the specific tax consequences of his / her investment in the shares of the Company.
5. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant double tax avoidance agreement(s), if any, between India and the country in which the non-resident has a fiscal domicile.
6. 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.



STATEMENT OF SPECIAL POSSIBLE INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, AND THE SHAREHOLDERS OF THE COMPANY

The Company is primarily engaged in the business of retail sale through its supermarkets in the district of Thane and Raigad in Maharashtra, manufacturing / processing of whole spices, pulses, powder spices, wheat flour, peanuts, sesame etc. and trading of food and non-food products. The Company sells its products in domestic markets as well as in international markets. The Company has active GST registered under 02 States.

A. Special tax benefits available to the Company

- Given that the Company is engaged in exports of agricultural products and FMCG products, the Company avails benefit under the Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme under Foreign Trade Policy.
- The Company also avails duty drawback benefits on Export of agricultural products and FMCG products.
- The Company exports goods with payment of IGST and claims the refund of the same and in case of sugar the company exports without payment of GST under a Letter of Undertaking and no Customs duty is applicable on such exports.
- The said goods are also supplied by the Company in domestic market which attract GST at the prescribed rates.
- The Company has availed benefit under the Pradhan Mantri Kisan SAMPADA Yojana scheme of the Ministry of Food Processing Industries, Government of India for setting up an agri-cluster and manufacturing units of the agricultural products in Dudhai, Kutch, Gujarat.

B. Special tax benefits available to the shareholders of the Company

There are no special tax benefits available to the shareholders under the indirect taxes.

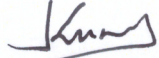
Notes:

1. The above statement is based upon the provisions of specified Indirect tax laws and judicial interpretation thereof prevailing in the Country, as on the date of this Annexure.
2. This statement is 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 tax consequences and the changing tax laws, each investor is advised to consult his / her own tax advisor with respect to the specific tax consequences of his / her investment in the shares of the Company.
3. The statement covers only indirect tax laws benefits and does not cover any income tax law benefits or benefit under any other law.
4. 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.



Yours faithfully,

For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration No. 104746W/W100096



Kunal Vakharia
Partner
Membership No. 148916
UDIN: 25148916BMKNML9359
Place: Mumbai

