

# **BIRJU S. SHAH & ASSOCIATES**

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**Date: May 7, 2022**

To,

**The Board of Directors  
Aether Industries Limited**  
Plot No. 8203,  
GIDC Sachin,  
Surat GJ 394230 IN

**Statement of possible special tax benefits (under direct and indirect tax laws) available to Aether Industries Limited (the “Company”) and its shareholders in accordance with the requirements under Schedule VI Part A- Clause (9) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”).**

Ladies and Gentlemen,

We, Birju S. Shah & Associates, the statutory auditors of the Company, hereby confirm that the enclosed statement is in connection with the special tax benefits available to the Company, the shareholders of the Company, under the Income Tax Act, 1961, as amended (the “Act”), presently in force in India, [the Finance Act, 2021, Goods and Service Tax Act, 2017, Customs Act 1962, each as amended, i.e. applicable for financial year 2022-23, relevant to the assessment year 2023-24, presently, in force in India as on the date of this certificate in the enclosed statement at **Annexure I**.

The Company does not have subsidiaries.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act which are based on business imperatives the Company may face in the future and accordingly, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed **Annexure I** are not exhaustive. We were informed that this statement covers only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and is only intended to provide general information to the investors for the Offer 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 proposed initial public offering (“Offer”).

We confirm that Annexure I provide in all material respects the special tax benefits available to the Company or its shareholders in accordance with the applicable tax laws as on the date of this certificate.

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

- (1) The Company or its shareholders will continue to obtain these benefits in future; or
- (2) The conditions prescribed for availing the benefits have been/ would be met with.
- (3) The revenue authorities/courts will concur with the views expressed therein

The contents of the enclosed Annexures 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 have conducted our examination 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 certificate we have complied with the Code of Ethics issued by the ICAI.

We confirm that the information in this certificate is true and correct and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

This certificate may be relied upon by the Company, the Book Running Lead Managers, and the legal counsels appointed by the Company and the Book Running Lead Managers in relation to the Offer. We hereby consent to extracts of, or reference to, this certificate being used in red herring prospectus and prospectus or any other documents in connection with the Offer (collectively, the “**Offer Documents**”). We also consent to the submission of this certificate as may be necessary, to any regulatory authority and/or for the records to be maintained by the Book Running Lead Managers in connection with the Offer and in accordance with applicable law.

Yours faithfully

**For, Birju S. Shah & Associates**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 131554W**

**Proprietor**  
**Membership No. 107086**  
**Place: SURAT**  
**UDI Number: 22107086AIOGHN3359**  
**Peer Review Certificate No. : 013598**

*Encl: Annexure I (Statement of tax benefits)*

## **Annexure I**

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 (“**the Act**”) [including all the Rules pronounced therein], Goods and Service Tax Act, 2017 (including all the Rules pronounced therein) and Customs Act 1962 (including all the Rules pronounced therein), each as amended by the Finance Act 2022, i.e. applicable for the Financial Year 2022-2023 relevant to the assessment year 2023-24, presently in force in India.

### **I. Special Income tax benefits available to the Company**

The Company has obtained a registration from the Department of Scientific and Industrial Research (“DSIR”) on November 24, 2020 for its Research and Development Unit located at Plot No. B-21/7 SUSML, Road No. 3, Hojiwala Industrial Estate, Sachin, Gujarat from October 29, 2020 to March 31, 2023. On the basis of the said certificate, the capital expenditure incurred in the said Unit (except the cost of land) would be eligible for a write off to the company in the year of incurring the same, subject to compliances as prescribed under the Income Tax Act and related Rules made for the same.

Other than the above, there are no other special income tax benefits available to the Company.

### **II. Special Income tax benefits available to Shareholders**

There are no special tax benefits available to the shareholders for investing in the shares of the Company.

### **III. Special Indirect Tax benefits available to the Company**

The Company has obtained a registration from the DSIR on November 24, 2020 for its Research and Development Unit located at Plot No. B-21/7 SUSML, Road No. 3, Hojiwala Industrial Estate, Sachin, Gujarat. On the basis of the said certificate, the in-house R & D units will be able to avail of GST and customs exemption on purchase of equipments, instruments, spares thereof, consumables, etc. that are used for research and development subject to relevant Government policies in force from time to time and subject to separate applications being made under the relevant regulations.

In addition to above, the company has obtained a registration from the department of customs on Manufacturing and other operations in a warehouse (MOOWR). On the basis of which company is entitled and licensed for storage of imported & indigenous items without payment of duty on importation/domestic procurement for warehousing thereof as a Private Bonded Warehouse under section 58 of the Customs Act, 1962.

Furthermore, the company is taking benefits of REFUND of unutilized Input Tax Credit (ITC) under section 54 of CGST Act, 2017. The company is taking refund of the ITC of IGST on the Exports that it does out of the country and also to SEZ supplies of goods.

Moreover, the company is also taking the benefit of MEIS (Merchandise Exports from India Scheme) under the Customs Act, 1962.

Other than the above, there are no special indirect tax benefits available to the Company.

#### **Note:**

1. The above statement of tax benefits sets out the special tax benefits, if any, available specifically to the Company and its shareholders under the current tax laws presently in force in India.
2. 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, the changing tax laws, each investor is advised to consult his or her or its own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

3. This statement does not discuss any tax consequences in the country outside India of an investment in the Shares. The subscribers of the Shares in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.
4. 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.
5. Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. 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.