

**CERTIFICATE ON SPECIAL TAX BENEFITS FOR THE COMPANY AND ITS SHAREHOLDERS**

To,

The Board of Directors,  
**Krystal Integrated Services Limited**  
Krystal House, 15A17 Shivaji Fort CHS,  
Duncans Causeway Road,  
Mumbai- 400 022

**Inga Ventures Private Limited**  
1229, Hubtown Solaris, N.S. Phadke Marg,  
Opp. Telli Galli, Andheri (East),  
Mumbai 400 069

(Inga Ventures Private Limited is appointed in relation to the Offer and referred to as the “**Book Running Lead Manager**” or the “**BRLM**”)

**Sub: Proposed initial public offering of equity shares of face value of Rs. 10 each (the “Equity Shares” and such offering, the “Offer”) of Krystal Integrated Services Limited (the “Company”)**

In connection with the Offer, we, **T R Chadha & Co LLP** have been requested by the Company to verify the statement of possible special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2023, hereinafter referred to as the “Indian Income Tax Regulations” presented in **Annexure 1** and under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017 and the applicable state-wise/union territory-wise goods and service tax legislations (“**GST Acts**”), the Customs Act, 1962 and the Customs Tariff Act, 1975 (both together, with the GST Acts, the “**Indian Indirect Tax Regulations**”) as amended from time to time, as amended by the Finance Act 2023 as presented in **Annexure 2** (together the “**Annexures**”).

**Management’s Responsibility**

The preparation of the Statement as of the date of our certificate which is to be included in the red herring prospectus and prospectus for the Offer is the responsibility of the management of the Company. The management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

We have performed the following procedures in this regard:

We have reviewed the enclosed Annexures 1 and 2 (together, the “**Annexures**”), prepared by the Company and initialed by us for identification purposes, which provides the possible special tax benefits available to the Company and to the shareholders of the Company as stated in those annexures, as under:

- Indian Income Tax Regulations, applicable for the financial year 23-24 relevant to the assessment year 2024-25, presently in force in India; and
- Indian Indirect Tax Regulations, applicable for the financial year 23-24 relevant to the assessment year 2024-25, presently in force in India.



Several of these stated tax benefits/consequences are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders to derive the tax benefits is dependent on fulfilling such conditions.

The benefits discussed in the enclosed Annexures are not exhaustive. 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 Offer. Neither are we suggesting nor advising the investor to invest money based on this statement. These statements do not cover any general tax benefits available to the Company and its shareholders and is neither designed nor intended to be a substitute for professional tax advice.

Further, we give no assurance that the revenue authorities / courts will concur with our views expressed herein. Our views are based on the existing provisions of Indian Income Tax Regulations and its interpretation and Indian Indirect Tax Regulations, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

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 the Statement.

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

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with; or
- iii) The revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations, audited financials for September 2023 and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

This certificate, including **Annexure 1 and 2** herein, is for your information and for inclusion in the red herring prospectus, prospectus and any other material used in connection with the Offer (together the "**Offer Documents**") with the Securities and Exchange Board of India ("**SEBI**"), BSE Limited and National Stock Exchange of India Limited (collectively, the "**Stock Exchanges**") and subsequently the red herring prospectus and the prospectus with the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"), in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**") may be prepared in connection with the Offer.

The aforesaid information contained herein and in **Annexure 1 and 2** may be relied upon by the Book Running Lead Managers and legal counsels appointed pursuant to the Offer and may be submitted to the stock exchanges, the Securities and Exchange Board of India, and any other regulatory or statutory authority in respect of the Offer and for the records to be maintained by the Book Running Lead Managers.

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. We conducted our examination of the information given in this certificate (including the annexures thereto) 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 ("**ICAI**"), as revised from time to time, to obtain a reasonable assurance that such details are in agreement with the books of accounts and other relevant records provided to us, in all material respects. The aforesaid Guidance Note requires that we comply with the ethical requirements of the 'Code of

Ethics' issued by the ICAI, as revised from time to time.

We undertake to update you in writing of any changes in the abovementioned position on obtaining or becoming aware of any relevant information, until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, the above information should be considered as updated information.

All capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the Offer Documents.

Our certificate is made solely to the Company's management and BRLM for the purpose as set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. This certificate relates only to the items specified above and does not extend to any financial statements of the Company, taken as a whole. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, BRLM and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Yours faithfully,

**For T R Chadha & Co LLP**  
**Chartered Accountants**  
**Firm Registration Number: 0N500028**



**Paras Nath**  
**(Partner)**

**Membership Number: 509269**  
**UDIN:**

**Date: February 19th, 2024**

Place: Mumbai

CC:

**Legal Counsel to the Offer**

**IndusLaw**  
#1502B, 15th Floor, Tower -1C,  
"One World Centre", Senapati Bapat Marg,  
Lower Parel, Mumbai 400 013,  
Maharashtra, India

## ANNEXURE 1

### STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE KRYSTAL INTEGRATED SERVICES LIMITED (FORMERLY KNOWN AS KRYSTAL INTEGRATED SERVICES PRIVATE LIMITED) ("THE COMPANY") AND ITS SHAREHOLDERS UNDER INDIAN INCOME TAX REGULATIONS

#### UNDER THE INCOME TAX ACT, 1961

##### A. Special tax benefits available to the Company:

In accordance with and subject to fulfilment of conditions as laid out under Section 80JJAA of the Income-Tax Act, 1961 ('IT Act') the Company may be entitled to claim deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

##### B. Special tax benefits available to the Shareholders

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

#### NOTES:

1. The above is as per the current tax laws, as amended by the Finance Act, 2023.
2. The above Statement of possible special tax benefits sets out the provisions of Indian Income Tax Regulations 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.
3. The possible special tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.
4. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTA, if any, between India and the country in which the non-resident has fiscal domicile. 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.
5. 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.
6. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time.



## ANNEXURE 2

### STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE KRYSTAL INTEGRATED SERVICES LIMITED (FORMERLY KNOWN AS KRYSTAL INTEGRATED SERVICES PRIVATE LIMITED) ("THE COMPANY") AND ITS SHAREHOLDERS UNDER THE INDIAN INDIRECT TAX REGULATIONS.

#### A. Special tax benefits available to the Company:

The Company are not entitled to any special tax benefits under the Indian Indirect Tax Regulations, read with respective rules, circulars and notifications made thereunder; and the Foreign Trade Policy.

#### B. Special tax benefits available to the Shareholders

There are no special indirect tax benefits available to the shareholders for investing in the shares of the Company under the Indian Indirect Tax Regulations.

#### NOTES:

- 1. The above is as per the current tax laws, as amended by the Finance Act, 2023.*
- 2. The above Statement of possible special tax benefits sets out the provisions of indirect 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.*
- 3. There is no special tax benefit available to Company under Indian Indirect Tax. However, the Company is availing exemption under Section 11 of CGST/SGST Act, 2017 vide exemption notification no. 12/2017 Central Tax (Rate) dated 28<sup>th</sup> June 2017 on certain outward supplies of cleaning, housekeeping and security services supplied to educational institutions, local authorities, Hospitals which is subject to conditions and eligibility criteria as specified vide aforesaid notification.*
- 4. 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.*
- 5. 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.*



A handwritten signature in black ink, appearing to be "A. J. J.", written over a horizontal line.

