

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors

Akums Drugs and Pharmaceuticals Limited

Plot No 131 to 133

Block-C, Mangolpuri Ind. Area, Phase I

Delhi – 110083, India

Date: 07th July 2024

Subject: Statement of possible special tax benefits (“the Statement”) available to Akums Drugs and Pharmaceuticals Limited (formerly known as Akums Drugs and Pharmaceuticals Private Limited) (“the Company”), its shareholders and its material subsidiaries prepared in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“the SEBI ICDR Regulations”)

This report is issued in accordance with the Engagement Letters dated 01st and 11th December 2023.

We hereby report that the enclosed **Annexures II and III** prepared by the Company, initialled by us for identification purpose, states the possible special tax benefits available to the Company, its shareholders and its material subsidiaries, which are defined in Table 1.2 of **Annexure I**, under direct and indirect taxes (together “**the Tax Laws**”), presently in force in India as on the 07th July 2024 which are defined in Table 1.1 of **Annexure I**. These possible special tax benefits are dependent on the Company, its shareholders and its material subsidiaries fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its shareholders and its material subsidiaries 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, its shareholders and its material subsidiaries may or may not choose to fulfil.

The benefits discussed in the enclosed **Annexures II and III** cover the possible special tax benefits available to the Company, its shareholders and its material subsidiaries and do not cover any general tax benefits available to the Company, its shareholders and its material subsidiaries. Further, the preparation of the enclosed **Annexure II and III** and its contents is the responsibility of the Management of the Company and has been approved by the Board of Directors of the Company at its meeting held on 07th July 2024. We were informed that 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. Further, the benefits discussed in the Annexures II and III 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 proposed initial public offering of equity shares of the Company (the “Proposed Offer”) 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 possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.



Walker Chandiook & Co LLP

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "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 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 do not express any opinion or provide any assurance as to whether:

- (i) the Company, its shareholders and its material subsidiaries will continue to obtain these possible special tax benefits in future; or
- (ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company and its material subsidiaries.

Our views expressed herein are based on the facts and assumptions indicated to us. 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 the Tax Laws 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 shall not be liable to the Company for 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 the Company and any other person in respect of this Statement, except as per applicable law.

This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Red Herring Prospectus, prepared in connection with the Offering to be filed by the Company with the Securities and Exchange Board of India and the concerned stock exchanges. It is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013



Sujay Paul
Partner
Membership No.: 096314

UDIN: 24096314BKETXU7978

Date: 07th July 2024
Place: New Delhi

AKUMS DRUGS & PHARMACEUTICALS LIMITED

Corp. Office : Plot No. 131-133, Block-C, Mangalpuri Ind. Area, Phase-I (adjoining CBSE office), Delhi- 110083

Regd. Office : 304, Mohan Place, L.S.C., Block-C, Saraswati Vihar, Delhi-110034 (INDIA)

☎ : 91-11-47511000 ; 📠 : 91-11 27023256 E-mail : akumsho@akums.net ; website : www.akums.in

Annexure I
Table 1.1 – List of Direct and Indirect Tax Laws (“TAX LAWS”)

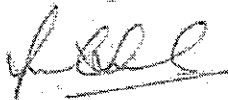
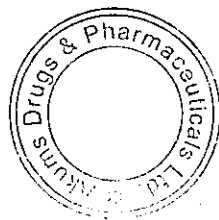
S.no.	Details of tax laws
1.	Income-tax Act, 1961 and Income-tax Rules, 1962 (read with applicable circulars and notifications) as amended by the Finance Act 2024, presently in force in India
2.	The Central Goods and Services Act, 2017 read with Central Goods and Services Tax Rules, 2017 (read with applicable circulars and notifications) as amended by the Finance Act 2024, presently in force in India)
3.	The Integrated Goods and Services Act, 2017 read with Integrated Goods and Services Tax Rules, 2017 (read with applicable circulars and notifications) as amended by the Finance Act 2024, presently in force in India)
4.	The Customs Act, 1962 read with Customs rules and regulations (as amended by the Finance Act 2024, presently in force in India)
5.	The Foreign Trade Policy, 2023 read with Foreign Trade (D&R) Act 1992 (as amended by the Finance Act 2024, presently in force in India)

Table 1.2 – List of Material Subsidiaries Considered as part of the Statement

S.no.	Material Subsidiaries
1.	Pure and Cure Healthcare Private Limited
2.	Malik Lifesciences Private Limited
3.	Maxcure Nutravedics Limited
4.	Akumentis Healthcare Limited

(Collectively referred to as “material subsidiaries”)

Note: Material subsidiaries identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, includes a subsidiary whose income or net worth in the immediately preceding year (i.e., 31 March 2024) exceeds 10% of the consolidated income or consolidated net worth respectively, of the holding company and its subsidiaries in the immediately preceding year.

 For and on behalf of Board of Directors of
Akums Drugs and Pharmaceuticals Limited

Sumeet Sood
 Chief Financial Officer

 Place: New Delhi
 Date: 07 July 2024

 ISO 9001 : 2015
 ISO 14001:2015
 ISO 17025 : 2005 (NABL)

 WHO-GMP
 US : NSF
 HACCP


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Annexure II**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO AKUMS DRUGS AND PHARMACEUTICALS LIMITED, ITS MATERIAL SUBSIDIARIES AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA – INCOME TAX ACT, 1961**

Outlined below are certain possible special direct tax benefits available to Akums Drugs and Pharmaceuticals Limited ("the Company"), its material subsidiaries (as listed in **Table 1.2 of Annexure I**) and its shareholders under the Income-tax Act, 1961 (hereinafter referred to as "**the IT Act**"), read with Income Tax Rules, circulars, notifications, as amended by the Finance Act, 2024 (collectively hereinafter referred to as the "**Income Tax Laws**"). These possible special direct tax benefits are dependent on the Company, its material subsidiaries and its shareholders fulfilling the conditions prescribed under the IT Act and the relevant Income Tax Laws of India.

A. Possible special direct tax benefits available to the Company under the Income Tax Laws in India**1. Beneficial corporate tax rate - Section 115BAA of the IT Act**

Section 115BAA of the IT Act, introduced vide The Taxation Laws (Amendment) Act, 2019, lays down certain conditions on fulfillment of which domestic companies are entitled to avail a beneficial tax rate of 22% (plus applicable surcharge and cess). The option to apply this tax rate is made available from Financial Year ('FY') 2019-20 relevant to Assessment Year ('AY') 2020-21 and the option once exercised shall apply to subsequent AYs. The beneficial tax regime is subject to a company not availing any of the following deductions / exemptions under the provisions of the IT Act:

- Section 10AA: Tax holiday available to units in a Special Economic Zone.
- Section 32(1)(iia): Additional depreciation;
- Section 32AD: Investment allowance.
- Section 33AB / 33ABA: Tea coffee rubber development expenses / site restoration expenses
- Section 35(1)(ii) or 35(1)(iia) or 35(1)(iii) / 35(2AA) / 35(2AB): Expenditure on scientific research.
- Section 35AD: Capital expenditure incurred on specified businesses.
- Section 35CCC / 35CCD: Expenditure on agricultural extension / skill development.
- Chapter VI-A other than the provisions of section 80JJAA and section 80M.

The total income of a company availing the beneficial tax rate of 25.168% (i.e., 22% tax plus 10% surcharge and 4% health & education cess) is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the beneficial tax regime in its return of income filed under section 139(1) of the IT Act. Further, provisions of Minimum Alternate Tax ('MAT') under section 115JB of the IT Act shall not be applicable to companies availing this beneficial tax regime.

The provisions do not specify any limitation / condition on account of turnover, nature of business or date of incorporation for opting for the beneficial tax regime. Accordingly, all existing as well as new domestic companies are eligible to avail this beneficial tax regime.

Note: The Company has opted for beneficial tax regime under section 115BAA of the IT Act starting FY 2020-21 and onwards, and therefore, is eligible for a concessional effective tax rate of 25.168% (including applicable surcharge and health and education cess) subject to fulfilment of above conditions.

2. Deduction in respect of inter-corporate dividends – Section 80M of the IT Act

As per the provisions of section 80M of the IT Act, inserted with effect from 01 April 2021, 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. However, such deduction shall be restricted to the



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amount of dividend distributed by it to its shareholders on or before the due date i.e., one month prior to the date of furnishing the return of income under sub-section (1) of section 139 of the IT Act.

3. Deductions in respect of employment of new employees – Section 80JJAA of the IT Act

As per section 80JJAA of the IT Act, where a company is subject to tax audit under section 44AB of the IT Act and derives income from business, it shall be allowed to claim a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in a previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employment cost is incurred.

The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in sub-section (2) of section 80JJAA of the IT Act.

4. Deduction of scientific expenditure incurred in respect of own business - Section 35(1)(i) read with clause (iv) of sub-section (1) and sub-section (2) of the IT Act

As per section 35(1)(i) read with clause (iv) of sub-section (1) and sub-section (2) of the IT Act, a company can claim deduction in respect of any revenue and capital expenditure laid out or expended on scientific research related to its business, subject to the fulfilment of prescribed eligibility conditions therein.

B. Possible special direct tax benefits available to the material subsidiaries under the Income Tax Laws in India

1. All material subsidiaries of the Company, except Malik Lifesciences Private Limited (“MLPL”), have also opted for the lower tax regime as per section 115BAA of the IT Act. Consequently, akin to the benefits available to the Company as discussed in section A above, similar possible special direct tax benefits are also available to the said material subsidiaries subject to fulfilment of the prescribed conditions laid therein.
2. MLPL is engaged in the manufacturing of Pharmaceutical Products and has not yet opted the concessional tax rate under section 115BAA of the IT Act, however, it may opt for the beneficial tax regime of section 115BAA in the subsequent years based on evaluation of eligibility conditions.

Till MLPL does not opt for concessional tax regime, the following benefits in addition to deductions as mentioned above in A.2., A.3., and A.4., may be available subject to the fulfilment of the prescribed conditions as per the provisions of IT Act –

- **Deduction for Additional Depreciation – Section 32(1)(iia) of the IT Act**

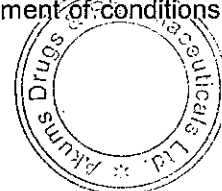
As per the section 32(1)(iia) of the IT Act, an assessee engaged in the business of manufacture or production of any article or thing is allowed an additional depreciation at the rate of 20% on the actual cost of plant or machinery acquired and installed after the 31st March 2005, subject to the prescribed conditions laid under the said section.

- **Deduction for any sum paid to approved institutions in respect of Scientific research or Social / Statistical research – Section 35 of the IT Act**

As per section 35(ii), 35(iia), 35(iii) and 35(2AA) of the IT Act, a company can claim the deduction in respect of any sum paid for scientific research or social science and statistical research, as the case may be, to any approved - Research Association, Institute, College, University, Indian Company engaged in scientific research and development, National Laboratory, Indian Institute of Technology and other specified institutions, subject to fulfilment of prescribed conditions laid under section 35 of the IT Act.

- **Deduction of expenditure in connection with extension of an undertaking - Section 35D of the IT Act**

As per section 35D of the IT Act, a company is eligible to claim deduction of expenditure, being underwriting commission, brokerage, and charges for drafting, typing, printing and advertisement of the prospectus incurred in connection with expansion of its undertaking upon fulfilment of conditions



as laid down under the IT Act. The deduction under section 35D of the IT Act is allowable for an amount equal to one-fifth of such expenditure for each of five successive previous years beginning with the previous year in which the extension of the undertaking is completed.

- Deduction with respect to donations / contributions to specified funds / institutions - Section 80G of the IT Act

A company is entitled to claim deduction, under the provisions of section 80G of the IT Act towards donation / contribution made to specified funds / institutions subject the fulfilment of conditions laid down therein. The deduction under section 80G shall be available for an amount equal to 100% or 50% (subject to permissible limit) of the amount of donations made by the Company in the relevant previous year.

- Setoff of MAT Credit – Section 115JAA of the IT Act

As per the provisions of section 115JAA of the IT Act, a company can claim credit of taxes paid under MAT provision. Taxes paid under MAT provisions are eligible for carry forward for a period of fifteen assessment years immediately succeeding the assessment year in which such credit has become allowable. The credit is available for set off only when tax becomes payable under the normal provisions of the IT Act. The tax credit can be utilized to the extent of difference between the tax payable under the normal provisions of the IT Act and tax payable under MAT for that year.

C. Possible special direct tax benefits available to the shareholders under the Income Tax Laws in India

1. Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of a domestic corporate shareholder, benefit of deduction under section 80M of the IT Act would be available on fulfilling the conditions (as discussed in A.2. above).
2. 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.
3. As per section 111A of the IT Act, short-term capital gains arising from transfer of equity shares on which securities transaction tax (STT) is paid at the time of acquisition and sale, shall be taxed at the rate of 15%. This is subject to fulfilment of prescribed conditions under the IT Act.
4. As per section 112A of the IT Act, long-term capital gains arising from transfer of equity shares on which STT is paid at the time of acquisition and sale, shall be taxed at the rate of 10% (without indexation). This is subject to fulfilment of prescribed additional conditions as per Notification No. 60/2018/F.No.370142/9/2017-TPL dated 01 October 2018 for cases where STT was not paid at the time of acquisition. It is worthwhile to note that tax shall be levied where such aggregate capital gains exceed INR 1,00,000 in a year.
5. Where the shareholders are 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, long-term capital gain and short-term capital gain under section 111A.
6. As per section 90(2) of the IT Act, non-resident shareholders will be eligible to take advantage of the beneficial provisions under the respective Double Taxation Avoidance Agreement ("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, dividends accruing to non-residents may be subject to withholding tax per the provisions of the IT Act or under the relevant DTAA, whichever is more beneficial to such non-resident. 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 can also avail credit of any taxes paid by them, subject to local laws of the country in which such shareholder is resident.



Notes:

1. These possible special direct tax benefits are dependent on the Company or its material subsidiaries or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income Tax Laws. Hence, the ability of the Company or its material subsidiaries or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its material subsidiaries or its shareholders may or may not choose to fulfil.
2. The possible special direct tax benefits discussed in the Statement are not exhaustive and is 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.
3. The Statement has been prepared on the basis that the shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing shares.
4. The Statement is prepared based on information available with the Management of the Company and there is no assurance that:
 - i. the Company or its material subsidiaries or its shareholders will continue to obtain these benefits in future;
 - ii. the conditions prescribed for availing the benefits have been / would be met with; and
 - iii. the revenue authorities / courts will concur with the view expressed herein.
5. The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.
6. The Statement sets out the provisions of law in a summarized manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership, and disposal of shares.

For and on behalf of Board of Directors of
Akums Drugs and Pharmaceuticals Limited



Sumeet Sood
Chief Financial Officer

Place: New Delhi
Date: 07 July 2024



AKUMS DRUGS & PHARMACEUTICALS LIMITED

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Annexure III**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO AKUMS DRUGS AND PHARMACEUTICALS LIMITED, ITS MATERIAL SUBSIDIARIES AND ITS SHAREHOLDERS UNDER THE APPLICABLE INDIRECT TAX REGULATIONS IN INDIA****A. Special tax benefits available to Akums Drugs and Pharmaceuticals Limited under the Indirect Tax Regulations in India****1. Benefits under The Foreign Trade (Development and Regulation) Act, 1992 (read with relevant Foreign Trade Policy)****i. Advance Authorization**

Advance Authorisation is a scheme under FTP that allows the duty-free import of inputs, which are physically incorporated in an export product. In addition to any inputs, packaging material, fuel, oil, and catalyst which is consumed/utilized in the process of production of export product, is also allowed to be imported duty-free. The quantity of inputs allowed for a given product is based on specific norms defined for that export product. The Directorate General of Foreign Trade (DGFT) provides a sector-wise list of Standard Input -Output Norms (SION) under which the exporters may choose to apply. Alternatively, exporters may apply for their own ad-hoc norms in cases where the SION does not suit the exporter.

The inputs imported are exempt from duties like Basic Customs Duty, Additional Customs Duty, Education Cess, Anti-dumping duty, Safeguard Duty and Transition Product -Specific Safeguard duty, Integrated tax, and Compensation Cess, wherever applicable, subject to certain conditions.

2. Benefits under the Central Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

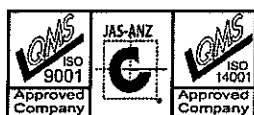
Under the GST regime, all supplies of goods and services that qualify as exports of goods or services are zero-rated supplies.

There are two mechanisms for claiming a refund of accumulated ITC against export. Either person can export under Bond/ Letter of Undertaking (LUT) as zero-rated supply and claim refund of accumulated Input Tax Credit or a person may export on payment of integrated Goods and Services Tax and claim refund thereof as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017.

Thus, the GST law allows the flexibility to the exporter (which will include the supplier making supplies to SEZ) to claim a refund upfront as integrated tax (by making supplies on payment of tax using ITC) or export without payment of tax by executing a Bond/LUT and claim refund of related ITC of taxes paid on inputs and input services used in making zero rated supplies.

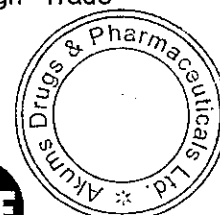
B. Possible special benefits for shareholders of Akums Drugs and Pharmaceuticals Limited

Shareholders of the Company are not eligible to special tax benefits under the provisions of the the Central Goods and Services Act, 2017 (read with Central Goods and Services Tax Rules, circulars, notifications), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign



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Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications).

C. Possible special tax benefits for Akumentis Healthcare Limited, India (material subsidiary of Akums Drugs and Pharmaceuticals Limited))

There are no special indirect tax benefits available to the Company under Indirect Tax Laws

D. Possible special tax benefits for Malik Lifesciences Private Limited, India (material subsidiary of Akums Drugs and Pharmaceuticals Limited))

1. Benefits under the Central Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

Under the GST regime, all supplies of goods and services that qualify as exports of goods or services are zero-rated supplies.

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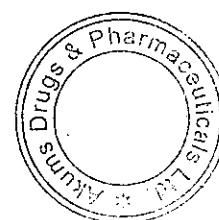
E. Possible special tax benefits for Maxcure Nutravedics Limited, India (material subsidiary of Akums Drugs and Pharmaceuticals Limited))

1. Benefits under The Foreign Trade (Development and Regulation) Act, 1992 (read with relevant Foreign Trade Policy)

i. Advance Authorization

Advance Authorisation is a scheme under FTP that allows the duty-free import of inputs, which are physically incorporated in an export product. In addition to any inputs, packaging material, fuel, oil, and catalyst which is consumed/utilized in the process of production of export product, is also allowed to be imported duty-free. The quantity of inputs allowed for a given product is based on specific norms defined for that export product. The Directorate General of Foreign Trade (DGFT) provides a sector-wise list of Standard Input -Output Norms (SION) under which the exporters may choose to apply. Alternatively, exporters may apply for their own ad-hoc norms in cases where the SION does not suit the exporter.

The inputs imported are exempt from duties like Basic Customs Duty, Additional Customs Duty, Education Cess, Anti-dumping duty, Safeguard Duty and Transition Product -Specific Safeguard duty, Integrated tax, and Compensation Cess, wherever applicable, subject to certain conditions.



2. Benefits under the Central Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

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F. Possible special tax benefits for Pure and Cure Healthcare Private Limited, India (material subsidiary of Akums Drugs and Pharmaceuticals Limited)

1. Benefits under the Central Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

Under the GST regime, all supplies of goods and services that qualify as exports of goods or services are zero-rated supplies.

There are two mechanisms for claiming a refund of accumulated ITC against export. Either person can export under Bond/ Letter of Undertaking (LUT) as zero-rated supply and claim refund of accumulated Input Tax Credit or a person may export on payment of integrated Goods and Services Tax and claim refund thereof as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017.

Thus, the GST law allows the flexibility to the exporter (which will include the supplier making supplies to SEZ) to claim a refund upfront as integrated tax (by making supplies on payment of tax using ITC) or export without payment of tax by executing a Bond/LUT and claim refund of related ITC of taxes paid on inputs and input services used in making zero rated supplies.

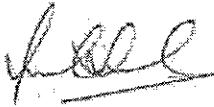
Notes:

1. The special tax benefits are dependent on the Company or its material subsidiaries or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indirect Tax Regulations. Hence, the ability of the Company or its material subsidiary or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its material subsidiaries or its shareholders may or may not choose to fulfil.
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3. The Statement has been prepared on the basis that the equity shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing equity shares pursuant to the Letter of Offer.
4. The Statement is prepared on the basis of information available with the Management of the Company including the material subsidiaries and understanding of the specific activities carried out by the Company and there is no assurance that:
 - a. The Company or its material subsidiaries 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 view expressed herein.
5. The above views are basis the provisions of law, their interpretation and applicability as on date, which may be subject to change from time to time.
6. The Statement sets out the provisions of law in a summarized manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership, and disposal of shares.

For and on behalf of the Board of Directors of
Akums Drugs and Pharmaceuticals Limited



Sumeet Sood
Chief Financial Officer

Place: New Delhi
Date: 07 July 2024

