



Bharat J. Rughani & Co.

Chartered Accountants

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STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO GK ENERGY LIMITED ("THE COMPANY") AND THE SHAREHOLDERS OF THE COMPANY UNDER THE DIRECT AND INDIRECT TAX LAWS IN INDIA

To
The Board of Directors
GK Energy Limited
(Formerly GK Energy Private Limited,
GK Energy Marketers Private Limited)
Office No. 802, CTS No. 97-A-1/57/2,
Suyog Center, Pune 411 037,
Maharashtra, India

Dear Sirs / Madam,

Sub: Statement of possible Special Tax Benefits available to the Company and its equity shareholders under the direct and indirect tax laws 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, as amended ("the ICDR Regulations")

We, Bharat J Rughani and Co., Chartered Accountants, Statutory Auditors of the Company, hereby confirm that the enclosed **Annexure A**, prepared by the Company and initialed by us for identification purpose ("**Statement**") for the Offer, provides the possible special tax benefits available to the Company and to its shareholders, under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961 read with Income Tax Rules, 1962, circulars, notifications as amended by the Finance Act, 2025 as presently in force, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company and its shareholders operate and applicable to the Company and its shareholders, Customs Act 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy 2023 (as extended) including the rules, regulations, circulars and notifications issued there under (collectively referred as "**Taxation Laws**"), relevant to the Financial Year ("**FY**") 2025-2026 relevant to the Assessment Year ("**AY**") 2026-2027 presently in force in India for inclusion in the Red Herring Prospectus ("**RHP**") and the Prospectus (collectively, the "**Offer Documents**") for the proposed initial public offering of equity shares of the Company, as required under ICDR Regulations.

Several of these benefits are dependent on the Company and/or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, the ability of the Company and/or its shareholders to derive these direct and indirect tax benefits depends upon their fulfilling such



conditions which is based on business imperatives the Company may face in the near future and accordingly, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. The Annexure covers only possible special direct and indirect tax benefits available and does not cover any general tax benefits available to the Company or its shareholders. This statement is only intended to provide general information to guide 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 the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the 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 benefits, which an investor can avail. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

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 also consent to the references to us as "Experts" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the RHP and Prospectus, of the Company or in any other documents in connection with the Offer.

This certificate may be relied on by the Company, book running lead managers, their affiliates and the legal counsel in relation to the Offer.

We undertake to immediately update you, in writing, of any changes in the abovementioned information until the date the Equity Shares issued pursuant to the Offer commence trading on the recognized stock exchanges. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate until the date the Equity Shares commence trading on the recognized stock exchanges.

Limitations

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

- *The Company and/or its shareholders will continue to obtain these possible special tax benefits in future;*
- *The conditions prescribed for availing these possible special tax benefits have been/would be met with;*
- *The revenue authorities/courts will concur with the views expressed herein.*



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.

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 Taxation Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to updating the views consequent to such changes.

Reliance on the annexure is on the express understanding that we do not assume responsibility towards the investors and third parties who may or may not invest in the initial public offer relying on the statement and the Annexure. This statement has been prepared solely in connection with the proposed initial public offering of equity shares of the Company under the ICDR Regulations. We hereby give consent to include this statement of special tax benefits and the enclosed annexure regarding the tax benefits available to Company and its shareholders in the red herring prospectus, prospectus and any other material used in connection with the Offer (together, the "Offer Documents") for the proposed initial public offer of equity shares which the Company intends to submit to the Registrar of Companies and subsequently with the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the "Stock Exchanges") where the equity shares of the Company are proposed to be listed, as applicable, and in any other material used in connection with the Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent. The Annexure has been prepared solely in connection with the proposed Offer of the Company under the ICDR Regulations.

For Bharat J. Rughani & Co
Chartered Accountants
ICAI Firm Registration No: 101220W



Akash Rughani
Partner
Membership No.139664
UDIN: 25139664BMLWWH8732
Place: Mumbai
Date: 15 September 2025

ANNEXURE A

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

Outlined below are the special tax benefits available to GK Energy Limited (the "Company") and its shareholders under the Income-tax Act, 1961 (the "Act") and Income-Rules, 1962 ("Income Tax Rules"), circulars, notifications, as amended by the Finance Act 2025 (collectively, hereinafter referred to as "Income Tax Laws"). The possible special tax benefits are subject to fulfilment of conditions prescribed under the relevant Income Tax Laws by the Company or its shareholders.

The statement outlined below is based on the provisions of the Act presently in force in India as amended by the Finance Act, 2025 applicable for Financial Year ("FY") ending 31 March 2026 relevant to the Assessment Year ("AY") 2026-27.

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, 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.

A. Special tax benefits available to the Company under the ITA and Income Tax Rules

I. Lower Corporate tax rate under Section 115BAA of the ITA

As per Section 115BAA of the Income-tax Act, 1961 ('the Act'), with effect from Financial Year 2019-20 (i.e. AY 2020-21), a domestic company has an option to pay income tax in respect of its total income at a concessional tax rate of 22% (plus surcharge of 10% and 4% cess) provided the company does not avail any specified exemptions/ incentives/ deductions or set-off of losses/ unabsorbed depreciation etc., claims depreciation in the prescribed manner and complies with the other conditions specified in Section 115BAA of the Act.

In case a company opts for Section 115BAA of the Act, provisions of Minimum Alternate Tax ('MAT') under Section 115JB of the Act would not be applicable and MAT credit of the earlier year(s) will not be available.

The option needs to be exercised qua a particular AY/FY in the prescribed manner on or before the due date of filing the tax return. The option once exercised, shall apply to subsequent AYs and cannot be subsequently withdrawn for the same or any other AY. Further, if the conditions mentioned in Section 115BAA of the Act are not satisfied in any AY, the option exercised shall become invalid in respect of such AY and subsequent AYs, and the other provisions of the Act shall apply as if the option under Section 115BAA had not been exercised.

The Company has opted to pay tax as per rates prescribed under Section 115BAA of the Act for AY 2026-27.

II. Deduction in respect of certain inter-corporate dividends under Section 80M of the ITA.

With respect to a shareholder which is a domestic company as defined in Section 2(22A) of the Act, Section 80M of the Act inter alia provides that where the gross total income of a domestic company in any FY includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of the said section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the "due date". For the purposes of the section, "due date" means the date one month prior to the date for furnishing the income-tax return under Section 139(1) of the Act. The Company is entitled to claim such deduction subject to fulfilment of conditions specified under Section 80M of the Act even if it has opted under the concessional regime under Section 115BAA of the Act.

III. Deduction in respect of employment of new employees –

Section 80JJAA of the Act: As per Section 80JJAA of the Act, while computing income under the head business and profession in case of an assessee to whom Section 44AB (i.e., tax audit) applies, a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in the FY, shall be allowed for three AYs including the AY relevant to the FY in which such employment is provided. The Company is entitled to claim such deduction subject to fulfilment of conditions specified under Section 80JJAA of the Act even under the concessional regime under Section 115BAA of the Act. We have been given to understand that the Company has not availed this deduction for FY 2024-25.

B. Special Tax Benefits available to the shareholders of the Company

Section 2(42A) of the Act provides that securities listed in a recognized stock exchange in India that are held for not more than 12 months immediately preceding the date of its transfer, shall constitute short-term capital assets.

As per Section 111A of the Act, short term capital gains arising from the transfer of an equity share in a company transacted through a recognized stock exchange and chargeable to Securities Transaction Tax ('STT') shall be taxed at 20% (plus applicable surcharge and cess) (provided the short-term capital gains exceed the basic threshold limit of exemption, where applicable) subject to fulfilment of prescribed conditions under the Act.

Further, as per Section 112A of the Act, long-term capital gains exceeding INR 1,25,000 arising from the transfer of equity shares in a company transacted through a recognized stock exchange on which STT has been paid on acquisition (except in certain situations) and on transfer, shall be chargeable to tax at the rate of 12.5% (plus applicable surcharge and cess) without applying the benefit under the first and second provisos to Section 48 of the Act.

The condition of STT shall not apply to a transfer undertaken on a recognized stock exchange located in any IFSC and where the consideration for such transaction is received or receivable in foreign currency.

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholder, deduction under Section 80M of the Act would be available on fulfilling the conditions specified under the provision of the Act.

Further, as per Section 194 of the Act, the Company is required to deduct tax at source from the amount of dividend paid to resident shareholders, except in the case of certain categories of shareholders as specified in the said section which inter alia include individual shareholders receiving dividend not exceeding INR 10,000 (in aggregate during a FY) by any mode other than cash. The shareholders would be entitled to take credit of the Tax Deducted at Source by the Company against the taxes payable by them on dividend income.

Section 195 of the Act would be applicable for taxability of non-resident shareholders in respect of receipt of dividend income in India.

Finance Act, 2023 has amended Section 115BAC of the Act to provide that with effect from FY 2023-24 relevant to AY 2024-25, Individuals, HUF, Association of Persons (other than a co-operative society), Body of Individuals and Artificial Juridical Person will be taxed on its total income at the reduced tax rates ('New Tax Regime'). The income would however have to be computed without claiming prescribed deductions or exemptions.

Such person will however have the option to be taxed on its total income as per the tax rates under the old tax regime. The option 188 is required to be exercised – (i) on or before the due date specified under Section 139(1) of the Act for furnishing the income-tax return for such AY, in case of a person having income from business or profession and such option once exercised shall apply to subsequent AYs; or (ii) along with the income-tax return to be furnished under Section 139(1) of the Act for every AY in case of a person not having income from business or profession.

A person having income from business or profession who has exercised the option of shifting out of the New Tax Regime shall not be able to exercise the option of opting back to the New Tax Regime till he has business income. However, a person not having income from business or profession shall be able to exercise this option every year.

Notes:

- The above statement of special tax benefits sets out the provisions of Indian tax laws 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.
- The Income-tax Act, 2025 has been enacted by the Government of India and is scheduled to come into effect from April 1, 2026, replacing the existing Income-tax Act, 1961. The possible special tax benefits described in this Statement are based on the provisions of the Income-tax Act, 1961, as amended and currently in force. The applicability, continuity, or modification of such benefits under the new regime will be subject to the provisions of the Income-tax Act, 2025, as notified, interpreted, and implemented.
- The special 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.

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

Outlined below are the special tax benefits available to GK Energy Limited (the "Company"), its Shareholders under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, applicable State/ Union Territory Goods and Services Tax Act, 2017, the Customs Act, 1962, the Customs Tariff Act, 1975, including the relevant rules, notifications and circulars issued there under, the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023) (collectively referred as "Indirect Tax Regulations"), presently in force in India.

A. Special indirect tax benefits available to the Company

The Company is mainly engaged in the activity of design, manufacture, supply, transport, installation, testing and commissioning ("EPC") services for solar-powered agricultural water pump systems (which are also referred to as solar-powered pump systems).

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

B. Special indirect tax Benefits available to the shareholders of the Company

There are no special indirect tax benefits available to the shareholders of the Company under Indirect Tax Regulations.

1. 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.
2. The above statement of possible special tax benefits sets out the provision 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.
3. This special indirect tax benefits discussed in this Annexure are not exhaustive. It 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 own tax consultant with respect to the specific tax implications arising out of their participation in the proposed IPO.

For GK Energy Limited

Gopal Kabra

Director

Place: Pune

Date: 15 September 2025