

AGGARWAL PAWAN & ASSOCIATES
CHARTERED ACCOUNTANTS

To,

**The Board of Directors,
Paramount Syntex Limited**

(Formerly known as Paramount Syntex Private Limited)
CIN: U17110MH1996PLC097972
Registered Office- 32, Floor- 3, Plot No. 196/198,
Bhagwan Bhuvan, Hazrat Abbas Road, Mumbai,
Maharashtra, - 400009

To,

**SOBHAGYA CAPITAL OPTIONS PRIVATE
LIMITED**

C-7 & 7A, Hosiery Complex, Phase-II Extension,
NOIDA - 201 305, Uttar Pradesh, India.
SEBI Registration No.: MB/INM000008571

(SOBHAGYA CAPITAL OPTIONS PRIVATE LIMITED is hereinafter referred to as the "Lead Manager" or "LM")

Dear Sir / Madam,

Sub: Statement of Special Tax Benefits available to Paramount Syntex Limited ('the Company') and its shareholders prepared in accordance with the requirements in Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended ("SEBI ICDR Regulations").

We refer to the proposed issue of shares of Paramount Syntex Limited ('the Company'). In connection with the same, and as required under the SEBI ICDR Regulations, we hereby confirm that:

The Company and its shareholders are not availing or entitled to any special tax benefits under the provisions of the Income-tax Act, 1961, 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 the respective State Goods and Services Tax Acts, as presently in force in India.

This Statement is only intended to provide the above clarification to investors and regulatory authorities and is neither designed nor intended to be a substitute for professional tax advice. 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 ("the Issue") by the Company.

Our views expressed above are based on the information, explanations and representations provided by the management of the Company and on the basis of our understanding of the applicable tax laws as on the date hereof. Any subsequent changes in law, judicial or administrative interpretations, or facts may affect the contents of this Statement. We do not undertake to update this Statement for events or circumstances arising after the date hereof.

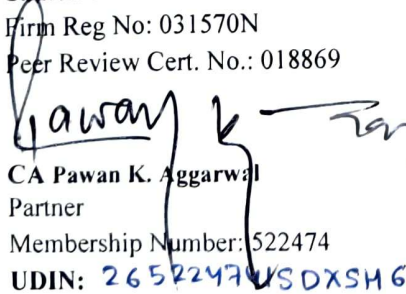
This certificate is for information and for inclusion (in part or full) in the **Updated Draft Red Herring Prospectus ("UDRHP")**, **Red Herring Prospectus ("RHP")** and the **Prospectus ("Prospectus")** filed in relation to the Issue (collectively, the "Offer Documents") or any other issue-related material in connection with the proposed initial public offer of the Company, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Aggarwal Pawan & Associates,

Chartered Accountants

Firm Reg No: 031570N

Peer Review Cert. No.: 018869


CA Pawan K. Aggarwal
Partner

Membership Number: 522474

UDIN: 26522474SDXSH6665

Place: New Delhi

Date: 27.04.2026



ANNEXURE 1

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

Outlined below are the special tax benefits available to **Paramount Syntex 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 in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE ACT")

a. Special tax benefits available to the Company

Section 115BAA of the Act, as inserted vide the Taxation Laws (Amendment) Act, 2019, provides that domestic company has 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. As 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, cannot be subsequently withdrawn for the same or any other tax year. 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 TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

The Shareholders of the Company are not entitled to any special tax benefits under the Act, 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, 2019 (i.e., Assessment Year 2019-20) subject to conditions. Any long-term capital gain, exceeding INR 1,00,000 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 10%/12.5% as applicable without giving effect to indexation.
- Section 111A of the Act provides for concessional rate of tax @ 15%/20% as applicable 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.

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.



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 production of Yarn manufacturing and has in house facility for Fiber Processing, Tow Dyeing Processes, Hank Dyeing Process & Knitted Cloth Manufacturing. The Company sells its products mainly in domestic markets. The Company has active GST registered with one State only i.e. Punjab.

A. Special tax benefits available to the Company

Brief framework is as below -

- A taxable supply includes all forms of supply of goods or services or both such as sale, transfer, barter, exchange, license, rental, lease or disposal made or agreed to be made for a consideration in the course or furtherance of business. Such supply is chargeable to tax at applicable rates with the standard rate being 18%, 12% and 5%.
- GST is not chargeable on exempt supplies. Exempt supplies are those which either attract NIL tax rate or have been made exempt by way of notification. Taxpayers are not entitled to claim Input Tax Credit on exempt supplies.

Further, the exporter has the option to –

- supply goods or services under bond or Letter of Undertaking (LUT) without payment of tax and claim refund of unutilized ITC; or
- Supply goods or services on payment of tax and claim refund of such tax paid.

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

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

Note:

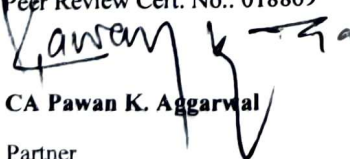
- The above statement of Direct Tax Benefits sets out the special tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.
- The above statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.
- This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders /investors in the country outside India are advised to consult their own professional advisors regarding possible income-tax consequences that apply to them.
- 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.

For Aggarwal Pawan & Associates,

Chartered Accountants

Firm Reg No: 031570N

Peer Review Cert. No.: 018869


CA Pawan K. Aggarwal

Partner

Membership Number: 522474

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