

# **Jhaveri Shah & Co**

Chartered Accountants

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## **STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

To,

**The Board of Directors**

**Fairchem Organics Limited**

Plot A-71, TTC Industrial Estate,  
Nr. Thane Belapur Road,  
Kopar Khairane, Navi Mumbai - 400 709,  
Maharashtra, India

Dear Sir/Ma'am,

Sub: Statement of possible special tax benefits available to Fairchem Organics Limited ('FOL' or 'Company') and its shareholders under the applicable Indian tax laws.

We hereby confirm that the enclosed annexure of statement of tax benefits, prepared by FOL states the possible tax benefits available to the Company and the shareholders of the Company under the Income-tax Act, 1961 ('Act') as amended by Finance Act 2020. Several of these benefits are dependent on the Company and/or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. 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 benefits discussed in the enclosed statement of tax benefits are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement 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, 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.

Our confirmation is based on the information, explanations and representations obtained from the Company and based on our understanding of the business activities and operations of the Company.

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

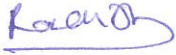
- The Company or its shareholders will continue to obtain the benefits as per the Statement in future
- The conditions prescribed for availing the benefits, wherever applicable have been/ would be met with and
- The revenue authorities/courts will concur with the views expressed herein

Notwithstanding anything to the contrary, this advice was prepared exclusively for the Company in relation to the Information Memorandum and is based on the facts as presented to us as at the date the advice was given. The advice is dependent on specific facts and circumstances and may not be appropriate to another party.



Neither we, nor our Partners/ Directors, employees and I or agents, owe or accept any duty of care or any responsibility to any other party, whether in contract or in tort (including without limitation, negligence or breach of statutory duty) however arising, and shall not be liable in respect of any loss, damage or expense of whatever nature which is caused to any other party.

**For Jhaveri Shah & Co  
Chartered Accountants  
FRN: 127390W**



**Ronak Shah  
Partner  
M. No. 102249**



**Place: Ahmedabad  
Date : 27<sup>th</sup> August, 2020**

**UDIN: 20102249AAAAEC1518**

## ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS

*The information provided below sets out the possible tax benefits available to Fairchem Organics Limited ('FOL' or 'the Company') and its equity shareholders 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 equity shares, under the tax laws currently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. 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 a different interpretation on the benefits, which an investor can avail.*

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION AS WELL AS IN RESPECT OF THE POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY.

### **A. Special tax benefits available to the company**

There are no special tax benefits available to the company.

### **B. Special tax benefit available to the shareholder**

The shareholders of the Company are not entitled to any special tax benefits under the Indian Tax Laws.

Note:

- The above statement of Tax Benefits set out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India.
- 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 own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
- We have not commented on the taxation aspect under any law for the time being in force, as applicable, of any country other than India.
- 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.

