



**Statement of Tax Benefits**

Date: September 12, 2025

To,  
**The Board of Directors**  
**Fabtech Technologies Limited**  
(Formerly known as Fabtech Technologies Private Limited)  
715, Janki Centre, Off. Veera Desai Road,  
Andheri West, Mumbai City,  
Mumbai – 400 053, Maharashtra, India.  
(the “Company”)

To,  
**Unistone Capital Private Limited**  
305, A Wing, Dynasty Business Park,  
Andheri Kurla Road, Andheri (E),  
Mumbai – 400 059, Maharashtra, India.

(the “Book Running Lead Manager”)

**Re: Proposed initial public offering of equity shares of ₹10 each (the “Equity Shares”) of Fabtech Technologies Limited (the “Company” and such offer, the “Issue”)**

Dear Sir(s),

We, Ajmera & Ajmera Chartered Accountants, (Firm Registration Number: 018796C), Statutory Auditor of the Company, report that the enclosed statement in the **Annexures**, states the possible special tax benefits, available to the Company and its shareholders, under the direct and indirect tax laws presently in force in India, as on the date of this certificate. Several of these benefits are dependent on the Company and its shareholders, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company or its shareholders face in the future, the Company and its shareholders may or may not choose to fulfill.

We confirm that: Company has no material subsidiaries, either incorporated in India or abroad, of the Company, in terms of the Regulation 16, Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of the ‘Policy on Material Subsidiary’ of the Company issued on July 30, 2024.<sup>1</sup>

The benefits discussed in the enclosed **Annexures** are not exhaustive. 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 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. We are neither suggesting nor advising the investor to invest in the Issue based on this statement.

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

- (i) the Company and 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.

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



<sup>1</sup> The term “material subsidiary” shall mean a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year, *i.e.*, in Fiscal 2025.



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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 red herring prospectus of the Company or in any other documents in connection with the Issue.

We hereby give consent to include this statement of special tax benefits in the red herring prospectus, and in any other material used in connection with the Issue.

We hereby confirm that while providing this certificate we have complied with the Code of Ethics and 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, issued by the Institute of Chartered Accountants of India.

We have conducted our examination in accordance with the ‘Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016)’ issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

We confirm that the information in this certificate is true, fair and correct, and is in accordance with the requirements of the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable law, and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context. We confirm that the information in this certificate is adequate to enable investors to make a well-informed decision, to the extent that such information with respect to us is relevant to the prospective investor to make a well-informed decision.

This certificate is for information and for inclusion (in part or full) in the Issue Documents or any other Issue-related material, and may be relied upon by the Company, the Book Running Lead Manager and the legal advisor in relation to the Issue. We hereby consent to the submission of this certificate as may be necessary to SEBI, the Registrar of Companies, Maharashtra at Mumbai (“RoC”), the relevant stock exchanges, any other regulatory authority and/or for the records to be maintained by the Book Running Lead Manager and in accordance with applicable law. We hereby consent to this certificate being disclosed by the Book Running Lead Manager, if required (i) by reason of any law, regulation or order of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We confirm that we will immediately communicate any changes in writing in the above information to the Book Running Lead Manager until the date when the Equity Shares commence trading on the relevant stock exchanges. In the absence of any such communication from us, the Book Running Lead Manager and the legal advisor, can assume that there is no change to the above information until the Equity Shares commence trading on the relevant stock exchanges pursuant to the Issue. All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Issue Documents.

Yours faithfully,

**For Ajmera & Ajmera,**  
Chartered Accountants  
FRN: 018796C  
Peer Review Certificate No: 014607



**Sourabh Ajmera**  
**Partner**  
Membership No.: 166931  
UDIN: 25166931BMNPVG3099

Place: Mumbai  
Date: September 12, 2025

Cc:  
**Legal counsel to the Issue**  
**T&S Law**  
Unit Number 15, Logix Technova,  
Block B, Sector 132, Noida – 201 304,  
Uttar Pradesh, India.

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**ANNEXURE A**

**TO THE STATEMENT OF POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO FABTECH TECHNOLOGIES LIMITED (FORMERLY KNOWN AS FABTECH TECHNOLOGIES PRIVATE LIMITED) AND ITS SHAREHOLDERS**

The information provided below sets out the possible special tax benefits available to Fabtech Technologies Limited (formerly known as Fabtech Technologies Private Limited) (“**the Company**”) and the shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the Income-tax Act, 1961 (“**the Act**”).

Several of these benefits are dependent on the Company/ shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company/ shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business / commercial imperatives, the Company/ shareholders may or may not choose to fulfil. We do not express any opinion or provide any assurance as to whether the Company/ shareholders will continue to obtain these benefits in present or future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

In view of the individual nature of the tax consequences and the changing tax laws, investors are advised to consult their own tax consultants with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising investors to invest money or not to invest money based on this statement.

The statement below covers only certain relevant direct tax benefits and does not cover any indirect tax benefits or benefits under any other law.

The statement outlined below is based on the provisions of the Act presently in force in India. The provisions of the Income Tax Act, 1961 as amended by the Finance Act, 2025 and as applicable for financial year 2025-26 relevant to assessment year 2026-27.

**I. POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY**

**1. Lower corporate tax rate under section 115BAA of the Act:**

As per section 115BAA of the Act as inserted vide the Taxation Laws (Amendment) Act, 2019 with effect from Financial Year (“FY”) 2019-20 relevant to Assessment Year (“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 cess of 4%) provided the company does not avail of 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, the 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 for set-off.

The option needs to be exercised in the prescribed manner for a particular AY on or before the due date of filing the income-tax return for such AY. 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.

**2. Deductions from Gross Total Income**

***Deduction in respect of inter-corporate dividends – section 80M of the Act:***

Up to March 31, 2020, any dividend paid to a shareholder by a company was liable to payment of Dividend Distribution Tax (“DDT”) by such company, and the dividend was exempt from tax in the hands of the recipient shareholder. Pursuant to the amendment made by the Finance Act, 2020, DDT was abolished, and dividend received by a shareholder on or after April 01, 2020 is liable to tax in the hands of the shareholder, other than dividend on which tax under section 115-O has been paid.





With respect to a shareholder which is a domestic company as defined in section 2(22A) of the Act, section 80M 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 under the concessional regime under section 115BAA.

## II. POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

There are no special tax benefits available to the Shareholders of Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the Act. Further, it may be noted that there are general tax benefits available to equity shareholders, which are as under:

### 1) Taxability of Dividend Income and Deduction under Section 80M

Dividend income received from the Company shall be taxable in the hands of the shareholders at applicable tax rates.

In case of domestic corporate shareholders, a deduction under section 80M of the Act may be available to the extent of onward distribution of dividend by such shareholder companies, subject to satisfaction of the prescribed conditions.

Credit for TDS on such dividend income by the Company may be claimed by the shareholders while computing their tax liability

### 2) Cap on Surcharge on Dividend Income for Certain Shareholders

For individuals, Hindu Undivided Families (HUFs), Association of Persons (other than co-operative society), Body of Individuals and artificial juridical persons, the applicable surcharge on dividend income is capped at 15%, irrespective of the total amount of dividend received during the year.

### 3) Deductibility of STT for Business Income

Where the shares of the Company are held as stock-in-trade, and the gains on their transfer are taxable under the head “Profits and Gains from Business or Profession”, the amount of STT paid in respect of such transaction shall be allowed as a deduction under section 36(1)(xv) of the Act.

### 4) Double Taxation Avoidance Agreement (DTAA) Benefits

In the case of non-resident shareholders, the tax rates and taxation of income (such as dividends or capital gains) shall be governed by the provisions of the Act, subject to the beneficial provisions of any applicable DTAA entered into by India with the country of residence of the shareholder, read with the Multilateral Instrument (MLI) provisions, where applicable.

### 5) Benefit under Section 54F

Individual or HUF shareholders may claim exemption from LTCG tax under sections 54F, if proceeds are reinvested in residential property, though this is not company-specific, but rather general capital gain relief.

### 6) Section 111A of Income Tax Act, 1961

As per Section 111A of the Act, short term capital gains arising from the transfer of an equity share shall be taxed at 20% (as amended by the Finance (No. 2) Act, 2024) (plus applicable surcharge and cess) subject to fulfilment of prescribed conditions under the Act.



**7) Benefits under Section 112A of the Act**

As per section 112A of the Act, long-term capital gains exceeding INR 1,25,000 (as amended by the Finance (No. 2) Act, 2024) 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. However, the Finance (No.2) Act, 2024 states that the rate of 10% be applicable with respect to transfer done prior to July 23, 2024. For transfer done on or after July 23, 2024, the Finance (No.2) Act, 2024, states that the long term capital gain would be taxed at the rate of 12.5% without any indexation benefits.

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.

**8) Section 115BAC of the Act**

Section 115BAC of the Act provides for the concessional tax regime to the Person being an Individual or Hindu Undivided Family or Association of Persons (other than a co-operative society), or Body of Individuals, whether incorporated or not, or an artificial juridical person. As per the said Section, income tax shall be computed as per rates mentioned in below table:

Sr No	Total Income	Rate of Tax
1	Up to INR 4,00,000/-	Nil
2	INR 4,00,001/- to INR 8,00,000/-	5%
3	INR 8,00,001/- to INR 12,00,000/-	10%
4	INR 12,00,001/- to INR 16,00,000/-	15%
5	INR 16,00,001/- to INR 20,00,000/-	20%
6	INR 20,00,001/- to INR 24,00,000/-	25%
7	Above INR 24,00,000/-	30%

The concessional tax regime is default tax regime for the abovementioned persons. However, the option to opt out of concessional tax regime and opt for old tax regime is available to the above class of taxpayers. The person willing to opt out shall exercise such option-

- 1) By filing form no. 10 - IEA on or before the due date specified under sub-section (1) of Section 139 of the Act for furnishing the return of income for the relevant assessment year in case of a person having income from business or profession, and such option once exercised shall apply to subsequent assessment years; However, option of old tax regime exercised can be withdrawn only once during a previous year other than the year in which it was exercised. Once withdrawn, the person shall never be eligible to exercise the option of old tax regime except where such person ceases to have any income from business or profession or;
- 2) Along with the return of income to be furnished under sub-section (1) of Section 139 of the Act for the relevant assessment year, in case of a person not having income from business or profession.

Under the concessional tax regime, the Person shall not be allowed to claim any of the following deductions/exemptions:

- (i) exemption or deduction under the provisions of clause (5) or clause (13A) or prescribed under clause (14) (other than those as may be prescribed for this purpose) or clause (17) or clause (32) of Section 10 of the Act;
- (ii) deduction under Section 10AA of the Act (deduction for units in Special Economic Zone);
- (iii) deduction under clause (ii) or clause (iii) of Section 16 of the Act;
- (iv) deduction under clause (b) of Section 24 [in respect of the property referred to in sub-section (2) of Section 23 of the Act
- (v) deduction under clause (iia) of sub-section (1) of Section 32 of the Act (Additional depreciation);



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- (vi) deduction under Section 32AD, Section 33AB, or Section 33ABA of the Act (Investment allowance in backward areas, Investment deposit account, site restoration fund);
- (vii) deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or subsection (2AA) of Section 35 of the Act (Expenditure on scientific research);
- (viii) deduction under Section 35AD or Section 35CCC of the Act (Deduction for specified business, agricultural extension project);
- (ix) deduction under any provisions of Chapter VI-A other than the provisions of sub-section (2) of Section 80CCD or sub-section (2) of Section 80CCH or section 80JJAA of the Act;
- (x) no set off, of any loss brought forward or unabsorbed depreciation from any earlier assessment year(s), if such loss or depreciation is attributable to any of the deductions referred from clause (i) to (ix) above and;
- (xi) Offset off any loss under the head "Income from house property" with any other head of income.
- (xii) In the case of salaried individuals who are opting to compute their income under the above-mentioned concessional tax regime under Section 115BAC, the limit of standard deduction u/s 16(ia) has been proposed to be increased from 50,000 to 75,000 in the Finance (No.2) Bill, 2024.

**Notes:**

1. This statement does not discuss any tax consequences arising in a country outside India pursuant to an investment in the shares of the Company. The shareholders in the country outside India are advised to consult their own professional advisors regarding the possible tax consequences that apply to them in such country outside India.
2. In respect of non-resident shareholders, the taxation and tax rates discussed above may be further subject to any benefit available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile. Applicability of DTAA benefit shall be subject to furnishing of relevant documents/declarations viz. tax residency certificate, Form 10F, etc. by the non-resident shareholders.
3. 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 is subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.



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**ANNEXURE B**

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

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, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively referred to as “Indirect tax”).

**I. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY**

There are no special indirect tax benefits available to the Company.

**II. SPECIAL INDIRECT TAX BENEFITS FOR SHAREHOLDERS OF THE COMPANY**

There are no special indirect tax benefits available to the shareholders of the Company.

**Notes:**

- The Statement has been prepared on the basis that the Equity shares of the Company are proposed to be listed on a recognized stock exchange in India.
- This Annexure is prepared on the basis of information available with the management of the Company and there is no assurance that:
  - a. the Company, its shareholders and its Material Subsidiaries 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.
- This Annexure covers only certain relevant possible special benefits under direct tax laws and does not cover any indirect tax law benefits or benefits under any other law.
- 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.
- The tax benefits outlined above are based on the provisions of the enacted Finance Act, 2025. We are not providing any comments on the benefits that may arise under the proposed Income Tax Act, 2025

