

Date: March 25, 2025

To,

The Board of Directors

Gujarat Kidney and Super Speciality Limited

Plot No. 1, City Sarve No. 1537/A,
Jetalpur Rd Gokak Mill Compound,
Alkapuri, Vadodara - 390 020,
Gujarat, India.

And

Nirbhay Capital Services Private Limited

201, Maruti Crystal, Opp. Rajpath Club,
S.G. Highway, Bodakdev,
Ahmedabad - 380 054,
Gujarat, India.

(the "Book Running Lead Manager")

Re: Proposed initial public offering of equity shares of ₹2 each (the "Equity Shares") of Gujarat Kidney and Super Speciality Limited (the "Company" and such offer, the "Issue")

Sub.- Certificate for Statement of tax benefits

Dear Sir(s),

We, **Y. M. SHAH & Co.**, Chartered Accountants (Firm Registration Number: **114124W**), Statutory Auditor of the Company, report that the enclosed statement in the **Annexure**, 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: Raj Palmland Private Limited, Gujarat Surgical and Surya Hospital and ICU are 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 Companies' of the Company issued on March 15, 2025 .

The benefits discussed in the enclosed **Annexure** 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.

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 draft 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 draft 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, Gujarat at Ahmedabad ("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.

For and on behalf of
Y. M. SHAH & Co.
Chartered Accountants



Yogesh Shah



Partner
Membership No.: 044305
ICAI Firm Registration No: 114124W
UDIN: **25044305BMOQLR9148**
Date: March 25, 2025

Encl: As above

Cc:

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

ANNEXURE

LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

1. Income-tax Act, 1961 and Income Tax Rules, 1962 read with applicable circulars and notifications
2. Central Goods and Services Tax Act, 2017
3. Integrated Goods and Services Tax Act, 2017
4. State Goods and Services Tax Act, 2017

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

Under the Income Tax Act, 1961 (the Act)

I. Special tax benefits available to the Company

- A. Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a 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 deductions or Set-off of any loss carry forward or unabsorbed depreciation, and claiming depreciation determined in the prescribed manner. It is also clarified in section 115JB(5A) that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT. The option needs to be exercised on or before the due date of filing the income tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year. Further, if the conditions mentioned in section 115BAA are not satisfied in any year, the option exercised shall become invalid in respect of such year and subsequent years, and the other provisions of the Act shall apply as if the option under section 115BAA had not been exercised.

B. Deductions from Gross Total Income

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

With respect to a shareholder which is a domestic company as defined in section 2(22A) of the Income-tax Act, 1961, a new section 80M has been inserted in the Act to remove the cascading effect of taxes on inter corporate dividends during FY 2020-21 and thereafter. The section inter-alia provides that where the gross total income of a domestic company in any previous year 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 this 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. The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the Act.

C. Deduction in respect of specified expenditure under section 35D (Public issue expenses)

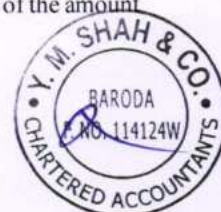
As the company is expecting to raise capital through public issue, the expenses incurred w.r.t share issue expenses is allowable under section 35D from AY 2025-26, at the discretion of the management.

II. Special tax benefits available to the Material Subsidiaries

Raj Palmland Private Limited, being a resident Indian entity can claim the above mentioned benefits as is available to the Company under the provisions of the Income-tax Act, 1961.

III. Special direct tax benefits available to Shareholders

- a) The Company would be required to deduct tax at source on the dividend paid to the shareholders, at applicable rates based in the provisions of the Act. In case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount



of dividend. The shareholders would be eligible to claim the credit of such tax in their return of income.

- b) With respect to a domestic corporate shareholder, deduction shall be available under section 80M of the Act on fulfilling the conditions (as detailed above).
- c) As per Section 112A of the Act, long-term capital gains arising from transfer of an equity share shall be taxed at 12.5% plus applicable surcharge and cess (without indexation) of such capital gains subject to fulfilment of prescribed conditions under the Act. It is worthwhile to note that tax shall be payable where such long term capital gains exceed INR 1,25,000.
- d) As per Section 111A of the Act, short term capital gains arising from transfer of a listed equity share, shall be taxed at 20% plus applicable surcharge and cess subject to fulfilment of prescribed conditions under the Act.
- e) In respect of non-resident shareholders, 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 has fiscal domicile and subject to entitlement to such treaty benefit.

Note:

1. 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.
2. Surcharge is to be levied on domestic companies at the rate of 7% where the income exceeds INR one crore but does not exceed INR ten crores and at the rate of 12% where the income exceeds INR ten crores.
3. We note that if the Company opts for concessional income tax rate under section 115BAA of the Act, surcharge shall be levied at the rate of 10% irrespective of the amount of total income.
4. Health and Education Cess @ 4% on the tax and surcharge is payable by all category of tax payers.
5. Business losses, arising during the year can be set off against the income under any other head of income. Balance business loss can be carried forward and set off against business profits for 8 subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of the IT Act, however, subject to section 115BAA.
6. We note that if the Company opts for concessional tax rate under section 115BAA of the Act it will not be allowed to claim any of the following deductions:
 - a. Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone).
 - b. Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation).
 - c. Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund).
 - d. Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research).
 - e. Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project).
 - f. Deduction under section 35CCD (Expenditure on skill development).
 - g. Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA and section 80M.
 - h. No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above.
 - i. No set-off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred above.



7. The above statement of possible direct tax benefits sets out the provisions 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.

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

I. Special indirect tax benefits available to the Company

- a) The company's core healthcare services, including diagnosis, treatment, and medical care provided by its clinical establishments and authorized medical practitioners, are exempt from Goods and Services Tax (GST) as per Notification No. 12/2017-Central Tax (Rate) dated 28-06-2017.
- b) Income from Surgeries, Income from Consultation, Treatment and Investigations which are service income for the company are exempt from Goods and Service Tax (GST).
- c) Services provided by senior doctors/ consultants/ technicians hired by the company, whether employees or not, are healthcare services which are exempt from Goods and Service Taxes (GST).
- d) Fee from the patients including the retention money and the fee/payments made to the doctors etc., is towards the healthcare services provided by the company to the patients and is exempt.
- e) Other supplies of food by a hospital to patients (not admitted) or their attendants or visitors are taxable.
- f) Medicines sold through the hospital pharmacy to out-patients or external customers are considered retail sales and GST is discharged. The applicable GST rates are 5% and 18% depending on the tariff items.

II. Special tax benefits available to the Material Subsidiaries

Raj Palmland Hospital Private Limited can claim the above mentioned benefits as is available to the Company.

Notes:

The above statement of possible indirect tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences.

