

STATEMENT OF TAX BENEFITS

Date: April 21, 2023

To,

The Board of Directors
Cosmic CRF Limited
19, Monohar Pukur Road,
Kolkata – 700 029,
West Bengal, India

Dear Sir(s),

Sub: Proposed initial public offering of equity shares of ₹ 10 each (the “Equity Shares”) of Cosmic CRF Limited (the “Company” and such offering, the “Issue”)

We report that the enclosed statement in **Annexure**, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Act, 1961 (‘Act’), as amended by the Finance Act, 2022 i.e. applicable for FY 2022-23 and AY 2023-24, and other direct tax laws presently in force in India. Several of these benefits are dependent on the Company or 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 stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

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. Neither are we suggesting nor advising the investor to invest money based on this statement.

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

- i) the Company or 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.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

We hereby give consent to include this statement of tax benefits in the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus and submission of this certificate as may be necessary, to the SME

Certified True Copy

COSMIC CRF LIMITED

Anita Kumari Gupta
Company Secretary

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Network : GARV & Affiliates

Branch : 19, R. N. Mukherjee Road, Eastern Building, 1st Floor, Kolkata 700 001
Kolkata | Bengaluru | Chennai | Guwahati | Hyderabad | Mumbai

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND THE COMPANY'S SHAREHOLDERS

This statement of possible special tax benefits is required as per Schedule-VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"). While the term 'special tax benefits' has not been defined under the ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company and its shareholders, and the same would include those benefits as enumerated in this Annexure.

Any benefits under the taxation laws other than those specified in this Annexure are considered to be general tax benefits and therefore not covered within the ambit of this Statement.

Further, any benefits available under any other laws within or outside India, except for those mentioned in this Annexure have not been examined and covered by this statement.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THEIR PARTICULAR SITUATION.

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

Direct Taxation:

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 (the "Act"), as amended by Finance Act, 2022 i.e. applicable for Financial Year 2022-23 relevant to the Assessment Year 2023-24, presently in force in India.

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 losses, depreciation etc., and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set-off. 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.

The Company has not opted for section 115BAA of the Act for Assessment Year 2022-23 and has represented us that as on the date of statement they have opted for section 115BAA of the Act for AY 2023-24.

B. *Deductions from Gross Total Income*

Deduction in respect of employment of new employees:

Subject to the fulfilment of prescribed conditions, the Company is entitled to claim deduction of an amount

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COSMIC CRF LIMITED

Anita Kumari Gupta

Company Secretary

Platform of BSE where the Equity Shares are proposed to be listed ("Stock Exchange") and the Registrar of Companies,, West Bengal at Kolkata ("RoC"). SEBI or any regulatory authority and/or for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable law.

Terms capitalised and not defined herein shall have the same meaning as ascribed to them in the Draft Prospectus.

Your sincerely,

For G A R V & Associates
Chartered Accountants
ICAI Firm Registration No.: 301094E

Ashish Rustagi
Ashish Rustagi
Partner
Membership No: 062982
UDIN: 23062982BGRWQH8227

Place:Kolkata
Date: April 21, 2023

Enclosed as above

Annexure

CC:

LEAD MANAGER TO THE ISSUE
Horizon Management Private Limited
19 R N Mukherjee Road,
Main Building, 2nd Floor,
Kolkata- 700 001,
West Bengal, India

LEGAL COUNSEL TO THE ISSUE
T&S LAW
Near Vvip Mall, Raj Nagar Extension,
Ghaziabad – 201 017,
Uttar Pradesh, India

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COSMIC CRF LIMITED
Anita Kumari Gupta
Company Secretary