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LLP Identification No : AAT-9404



Statutory Auditors' Certificate on Taxation

To,
The Board of Directors
Industrial Investment Trust Limited
Office No. 101A, B Wing, "The Capital",
G-Block, Plot No. C-70, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051

Re: Proposed Buyback of equity shares of face value ₹ 10 each ("Equity Shares") by Industrial Investment Trust Limited (the "Company") in accordance with the requirements of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013 (the "Act") read with Rule 17 of Companies (Share Capital and Debentures) Rules 2014 and Clause (xi) of Schedule I to the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended (the "SEBI Buyback Regulations").

THE SUMMARY OF THE TAX CONSIDERATION RELATING TO THE BUYBACK OF EQUITY SHARES IS BASED ON THE TAX LAWS OF INDIA AS CURRENTLY IN FORCE, INCLUDING JUDICIAL AND ADMINISTRATIVE INTERPRETATIONS, WHICH MAY CHANGE FROM TIME TO TIME. ANY SUCH CHANGE COULD ALTER THE TAX POSITION DISCUSSED BELOW.

IN VIEW OF THE PARTICULARIZED NATURE OF TAX CONSEQUENCES OF A BUYBACK TRANSACTION, ELIGIBLE SHAREHOLDERS ARE STRONGLY ADVISED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX TREATMENT APPLICABLE TO THEM, INCLUDING THE POSITION THEIR TAX OFFICER MAY TAKE, AND THE APPROPRIATE COURSE OF ACTION TO BE FOLLOWED.

THIS NOTE IS INTENDED FOR GENERAL GUIDANCE ONLY AND IS NOT, AND SHOULD NOT BE CONSTRUED AS, TAX ADVICE. THE COMPANY DOES NOT ACCEPT RESPONSIBILITY FOR THE ACCURACY OF THIS SUMMARY AND SHALL NOT BE LIABLE FOR ANY ACTION TAKEN BY ANY ELIGIBLE SHAREHOLDER BASED ON IT.



1. General

With effect from April 1, 2026, the Income-tax Act, 1961, together with the Income-tax Rules, 1962, has been replaced by the Income-tax Act, 2025 ("**Income Tax Act**"/ "**ITA**") and the Income-tax Rules, 2026 ("**Income Tax Rules**").

A taxpayer's liability to Indian income-tax depends on their residential status during the relevant tax year (which runs from April 1 to March 31). A person who qualifies as an Indian tax resident is taxable in India on worldwide income, subject to exemptions provided under the Income Tax Act.

A person who qualifies as a non-resident is generally taxable in India only on India-sourced income, or income received by such person in India. In case of shares of a company, the source of income depends on their "situs", which, as per judicial precedent, is generally where the company is incorporated and where its shares can be transferred. Since the Company is incorporated in India, its Equity Shares are "situated" in India, and any gains arising to a Non-Resident Shareholder on transfer of such Equity Shares would be taxable in India under the Income Tax Act. Non-Resident Shareholders may, however, avail themselves the beneficial provisions of the Double Taxation Avoidance Agreement ("**DTAA**") between India and their country of residence, subject to meeting the relevant conditions and furnishing the information and documents as prescribed under the Income Tax Act, 2025.

Unless stated otherwise, all references to shares/ equity shares in this note refer to equity shares listed on a recognised stock exchange in India.



1.1 Income-tax provisions on buyback of equity shares

With effect from April 1, 2026, income arising from the buyback of equity shares is taxable in the hands of shareholders, as summarised below:

Aspect	Details
Tax incidence	Tax is payable by shareholders on the gains made from the buyback.
Nature of income	Generally taxable as 'Capital Gains' in the hands of shareholders. where equity shares are held as a trading asset (i.e., stock-in-trade), the income is taxable as business income.
Computation of gains	Capital gains are computed as the difference between the buyback price offered by the company and the cost of acquisition of the shares to the shareholder. For equity shares acquired before February 1, 2018, the cost of acquisition is deemed to be the higher of: • the actual cost of acquisition of the equity shares; and • the lower of (a) the fair market value (highest quoted price on the stock exchange) on January 31, 2018, and (b) the buyback price.
Applicable tax rate	The applicable rate depends on the period of holding. Equity shares held for more than 12 (twelve) months on the date of buy back qualify as long-term; otherwise, they are short-term: • Long-Term Capital Gains (LTCG): Rate of tax is 12.5%, with an exemption of up to INR 1,25,000/- (Indian Rupees One Lakh Twenty Five Thousand only). • Short-Term Capital Gains (STCG): Rate of tax is 20%. The above rates will be increased by applicable surcharge and cess, as notified.



Note: The applicability of the above provisions depends on the specific facts of each case, including the nature of acquisition and fulfilment of the conditions prescribed under the Income Tax Act and the Income Tax Rules. Eligible Shareholders are requested to consult their tax advisors to determine the appropriate cost of acquisition and the resulting capital gains arising from participation in the Buyback.

1.2 Tax Deduction at Source (TDS)

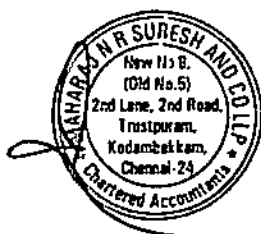
A. Resident shareholders:

The Company is not required to deduct tax at source on payments made to resident Eligible Shareholders.

B. Non-Resident Shareholders (other than FIIs/ FPIs):

- (i) Under the provisions of the Income Tax Act, the Company is required to deduct tax at source ("TDS") on payments made to Non-Resident Shareholders (other than FIIs/ FPIs), if such payments are chargeable to tax in India, at the time of payment or credit (whichever is earlier), at the "rates in force".
- (ii) To calculate the TDS, the Company will have to consider appropriate cost of acquisition for computing capital gains as per the provisions mentioned above.

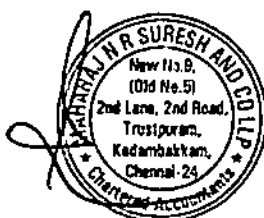
For the said purpose, the Non-Resident Shareholders tendering their Equity Shares in the Buyback must enclose evidence about the date and cost of acquisition of such Equity Shares, so that the Company may determine the amount of gain, and whether the capital gain is long-term or short-term. The details must be provided separately for each purchase transaction, capturing the distinct date of acquisition and corresponding cost of acquisition. The said details are required to be shared along with the certificate and documents mentioned therein. Non-Resident Shareholders are required to fill all the mandatory fields in the said declaration in case



such declaration/ evidence are not provided in the prescribed format or where the evidence is not satisfactory in the opinion of the Company, the Company reserves the right to consider the entire gross consideration as taxable income, presume it as short-term capital gains, and deduct withholding tax at the highest rate of tax, viz. 20% (plus applicable surcharge and cess).

(iii) The term "rates in force" is defined under the Income Tax Act to include rates specified under the Finance Act for the relevant year or the rates specified under the DTAA with the respective countries. In this regard, the Finance Act, 2026 provides rates in force on capital gain as outlined in above table. As per the Income Tax Act read with the Income Tax Rules and judicial precedents, in order to be eligible to claim relief under DTAA, a Non-Resident Shareholder will need to provide the following documents:

- Copy of the PAN card allotted by the Indian Income-tax authorities duly attested by the Non-Resident Shareholder or details as prescribed under Rule 217 of the Income Tax Rules in the absence of PAN card;
- Copy of the Tax Residency Certificate ("TRC") for the tax year 2026-27 obtained from the revenue or tax authorities of the country of tax residence, duly attested by Non-Resident Shareholder/ authorized signatory;
- Form 41 for the tax year 2026-27 obtained electronically through the Income-tax e-filing portal at <https://www.incometax.gov.in/iec/foportal/>;
- Declaration by the Non-Resident Shareholder (a) of beneficial ownership of Equity Shares by the Non-Resident Shareholder, (b) fulfilling all conditions of DTAA for being eligible to claim benefit of the relevant DTAA read with Multilateral Instrument ("MLI"), (c) of having no permanent establishment in India in accordance with the applicable DTAA;

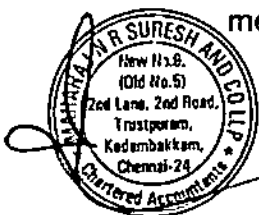


- Declaration along with supporting documents to evidence the date of acquisition of the Equity Shares, in order to claim benefit under the Article on "Capital gains" in the relevant DTAA in view of the grandfathering provisions, wherever applicable;
- Any other documents as prescribed under the Income Tax Act for lower withholding of taxes, if applicable, duly attested by the Non-Resident Shareholders.

- (iv) Non-Resident Shareholders may furnish a Lower Tax Deduction Certificate issued by the Income-tax Department under Section 395 of the Income Tax Act, authorising the Company (TAN: PNEB05807E) to deduct tax at a lower rate than the standard prescribed rate under the Income Tax Act.
- (v) The Company shall arrange to email the soft copy of the TDS certificate to shareholders at the registered email address within the timeline prescribed under the Income Tax Act. Non-Resident Shareholders should consult their tax advisors regarding the availability of credit for taxes withheld by the Company.

c. Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors (FPIs):

Section 393(4) of the Income Tax Act exempts TDS on capital gains arising from the transfer of securities referred to in Section 210 of the Income Tax Act, where such gains are payable to FIIs/ FPIs registered as Foreign Portfolio Investors under the relevant SEBI regulations. Thus, no tax shall be deducted at source by the Company, if a SEBI registration number/ valid certificate of registration as FII/ FPI under the relevant SEBI regulations is sent Company. However, if such SEBI registration number/ certificate of registration is not provided, tax shall be deducted at the same rates applicable for the Non-Resident Shareholders, as mentioned in Part B above.

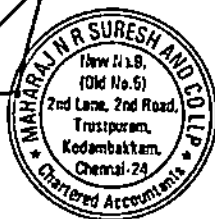
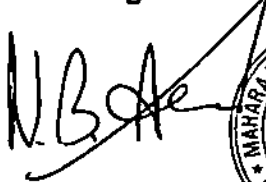


1.3 Securities Transaction Tax ("STT")

Since the Buyback will take place through the settlement mechanism of the Stock Exchanges, STT at 0.10% of the value of the transaction will be applicable.

THE ABOVE SUMMARY IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES RELATING TO PARTICIPATION IN THE BUYBACK. IT IS NOT BINDING ON ANY REGULATOR, AND THERE CAN BE NO ASSURANCE THAT A REGULATOR WILL NOT TAKE A POSITION CONTRARY TO THE VIEWS EXPRESSED HEREIN. THE TAX CONSIDERATIONS ABOVE ARE BASED ON THE TAX LAWS OF INDIA AS CURRENTLY IN FORCE, WHICH ARE SUBJECT TO CHANGE BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE, OR JUDICIAL ACTION. ELIGIBLE SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES, AS WELL AS ANY ADDITIONAL TAX CONSEQUENCES RESULTING FROM PARTICIPATING IN THE BUYBACK, INCLUDING THE APPLICABILITY AND EFFECT OF THE TAX LAWS OF ANY OTHER COUNTRY OF JURISDICTION.

For Maharaj N R Suresh and Co. LLP
Chartered Accountants
Firm Registration No.: 001931S/S000020



N. R. Suresh
Partner

Membership No.: 021661
UDIN: 26021661HDWZYT5100

Place: Mumbai
Date: 08.08.2026