

Singhi & Co.

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SDP & ASSOCIATES

Chartered Accountants
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To,
The Board of Directors,
Lumino Industries Limited
Unit No- 12/4, Merlin Acropolis 1858/1
Rajdanga Main Road, Kolkata- 700107,
West Bengal, India

AND

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower,
Rahimtullah Sayani Road,
Opposite Parel ST Depot, Prabhadevi,
Mumbai- 400025,
Maharashtra, India

JM Financial Limited
7th Floor, Cnergy,
Appasaheb Marathe Marg
Prabhadevi, Mumbai -400 025
Maharashtra, India

Monarch Network Capital Limited
4th Floor, B Wing, Laxmi Tower, G Block,
Bandra Kurla Complex, Bandra (E),
Mumbai- 400051,
Maharashtra, India

(Motilal Oswal Investment Advisors Limited, JM Financial Limited and Monarch Network Capital Limited are appointed and referred to as the "**Book Running Lead Managers**" or "**BRLMs**" in relation to the Offer)

Re: Proposed initial public offering of equity shares of face value of Rs. [5] each ("Equity Shares" and such offering, the "Offer") of 'Lumino Industries Limited' ("Company" or "Offeror"), comprising a fresh offer of up to [●] Equity Shares, aggregating up to ₹ [5,000] million, by the Company ("Fresh Issue") and an offer for sale ("Offer for Sale") of up to [●] Equity Shares, aggregating up to ₹ [2,000] million, by [Devendra Goel & Jay Goel] ("Selling Shareholders") ("Offer for Sale", and together with the Fresh Offer, the "Offer" and such Equity Shares, the "Offered Shares")

Subject: Certificate on Special Tax Benefits

Dear Sir/ Madam,

We, Singhi & Co., Chartered Accountants (FRN: 302049E) and SDP & Associates, Chartered Accountants (FRN: 322176E), the present joint statutory auditors of the Company have been informed by the Company that it proposes to undertake the proposed Offer in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**") and the Companies Act, 2013, as amended ("**Companies Act**").



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SDP & ASSOCIATES

Offices: Kolkata, Mumbai, Bengaluru, Delhi NCR & Varanasi

In connection with the Offer, we have been requested by the Company to certify statement of possible special tax benefits available to the Company and its shareholders (hereinafter referred to as the "**Statement**") as per the provisions of the Indian Direct and Indirect Tax Laws including the Income Tax Act, 1961 and Income Tax, 2025 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act 2025 and 2026, , the Central Goods and Services Tax Act, 2017/ the Integrated Goods and Services Act, 2017, the Union Territory Goods and Services Act, 2017, Respective State Goods and Services Act, 2017, each as amended (collectively, the "**GST law**"), the Customs Act, 1962, Customs Tariff Act, 1975 ("**Customs law**") and the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023) (collectively referred to as "**Indirect Tax law**") read with Rules, Circulars, and Notifications (hereinafter referred to as the "**Indirect-tax Regulations**").

Management's Responsibility

The preparation of the Statement (as per Annexure I & II) as of the date of our certificate which is to be included in the red herring prospectus, red herring prospectus and prospectus for the Offer is the responsibility of the management of the Company. The management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor's Responsibility

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

We have complied with the relevant applicable requirements of 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.

Conclusion

We hereby report that the enclosed **Annexure I & II** prepared by the Company, initialed by us and the Company for identification purpose, states the possible special tax benefits available to the Company and its shareholders, under direct and indirect taxes (together "**the Tax Laws**"), presently in force in India as on the signing date, which are defined in Annexure I & II. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed **Annexure I & II** cover the possible special tax benefits available to the Company and its shareholders but does not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed **Annexure I & II** and its contents is the responsibility of the management of the Company and is not exhaustive. We were informed that the 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 proposed initial public offering of equity shares of the Company comprising a fresh issue of the Equity Shares by the Company 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 possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on this Statement.



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SDP & ASSOCIATES

Offices: Kolkata, Mumbai, Bengaluru, Delhi NCR & Varanasi

In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special tax benefits available as on the date of signing of this certificate, to the Company and its shareholders, in accordance with the Indian Income Tax Regulations and other applicable laws. We do not express any opinion or provide any assurance as to whether:

- i) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or
- ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/ would be met with.

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

Our views expressed herein are based on the facts and assumptions indicated to us. 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 the Tax Laws 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. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby consent to the extracts of this certificate being used in the Red Herring Prospectus ("**RHP**") and the Prospectus ("**Prospectus**") (Prospectus and together with RHP, the "**Offer Documents**"), to be filed with the Registrar of Companies, Kolkata-I at Kolkata, West Bengal ("**ROC**") and submitted to the SEBI, and the Stock Exchanges with respect to the Offer, and any other regulatory or governmental authorities, and in any other material used in connection with the Offer and on the websites of the Company and the BRLMs in connection with the Offer.

We confirm that we will immediately communicate any changes in writing in the above information to the Book Running Lead Managers 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 Managers and the legal advisors, each to the Company and the Book Running Lead Managers, 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 Offer.

We confirm that the information above is true and correct and there is no untrue statement or omission which would render the contents of this letter misleading in its form or context.

This certificate can be relied on by the Company, the BRLMs and the legal counsels to the Offer and to assist the BRLMs in conducting and documenting their investigation of the affairs of the Company in connection with the Offer.

Restriction on use and other clauses

This certificate is for information and for inclusion (in part or full) in the red herring prospectus ("**RHP**") and the prospectus ("**Prospectus**") which the Company intends to file with the Registrar of Companies, (Kolkata-I at Kolkata), West Bengal ("**RoC**") and thereafter file with the SEBI and the Stock Exchanges and in any other document in relation to the Offer (collectively, the "**Offer Documents**") or any other Offer related material, and may be relied upon by the Company, the BRLMs and the legal counsels to the Offer. We hereby consent to the submission of this certificate as may be necessary to the SEBI, the RoC, the Stock Exchanges and any other regulatory authority and/or for the records to be maintained by the BRLMs and in accordance with applicable law and is not to be used, referred to or distributed for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views



contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

We also consent to the inclusion of this certificate as a part of "Material Contracts and Documents for Inspection" in connection with this Offer, which will be available for public for inspection.

Yours faithfully,

For and on behalf of M/s Singhi & Co.
Chartered Accountants
Firm Registration No.302049E


Navindra Kumar Surana
Partner
Membership No.: 053816



UDIN: 26053816 VRJDZZ8800
Place: Kolkata
Date: 11th August, 2026

For and on behalf of SDP & Associates
Chartered Accountants
Firm Registration No.322176E


Pranita Dalmia
Partner
Membership No.: 062175



UDIN: 26062175 NLJUY4010
Place: Kolkata
Date: 11th August, 2026

Encl: Annexure I and Annexure II.

CC:

Legal Counsel to the Company

Trilegal
18th and 19th Floor Godrej,
Golf Course Road, Sector 42,
Gurugram 122009, Haryana India
Legal Counsel to the BRLMs

M/s. Crawford Bayley & Co.
State Bank Buildings
N.G. N. Vaidya Marg
Fort, Mumbai 400 023
Maharashtra, India

ANNEXURE I

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA – INCOME TAX ACT, 1961

Outlined below are the possible special tax benefits available to the Company and its shareholders under the direct tax currently in force in India. These tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income Tax Act, 1961 and Income Tax Act 2025 ("Direct Tax Laws") respectively. Hence, the Company and its shareholders can derive the possible tax benefits upon fulfilling such conditions laid down in the taxation laws, which are based on business imperatives they face in the future, they may or may not choose to fulfill.

I. Possible Special tax benefits available to the Company under applicable direct taxation laws as per Income Tax Act 1961, as amended by Finance Act, 2025:

A Special tax benefits available to the Company under the Income tax Act, 1961, as amended by Finance Act, 2025

The Statement of possible tax benefits enumerated below as per the Income Tax Act 1961 ("ITA") as amended, Income Tax Rules, 1962", as amended by Finance Act, 2025 as applicable for financial year ('FY') 2025-26 relevant to assessment year ('AY') 2026-27. (hereinafter referred to as 'Income Tax Laws')

a. Lower corporate tax rate of Income Tax - Section 115BAA of the Act

Section 115BAA inserted w.e.f. 1 April 2020 (AY 2020-21), provides an option to a domestic company to pay corporate tax at a reduced rate of 22% (plus applicable surcharge and education cess) i.e. 25.168%. In case the Company opts for the concessional income tax rate as prescribed under Section 115BAA of the ITA, it will not be allowed to claim any of the following deductions/ exemptions:

- i. Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
- ii. Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
- iii. Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, manufacturing or cultivation of Tea, Coffee or rubber, site restoration fund)
- iv. 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)
- v. Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
- vi. Deduction under section 35CCD (Expenditure on skill development)
- vii. Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or Section 80M
- viii. Deduction under Section 80LA of the Act other than deduction applicable to a unit in the International Financial Services Centre, as referred to in sub-section (1A) of Section 80LA of the Act;
- ix. 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 from clause i) to vii) above
- x. 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 from clause i) to vii) above

Further, it was clarified by CBDT vide Circular No. 29/ 2019 dated 2 October 2019 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.



Note: The Company has opted the lower rate under section 115BAA of the IT Act in the FY 2019-20 relevant to the AY 2020-21 as mentioned in the Section 115BAA for which declaration (Form 10IC) has already been filed with the tax authorities.

b. Deductions in respect of employment of new employees – Section 80JJAA of the Act

As per section 80JJAA of the IT Act, where a company is subject to tax audit under section 44AB of the IT Act and derives income from business, it shall be allowed to claim a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in a previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employment cost is incurred.

The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in subsection.

Note: The company is presently not claiming deduction under section 80JJAA of the IT Act. However, this deduction could be claimed in the future subject to fulfilment of the conditions discussed above.

B Special tax benefits available to the Shareholders of the Company

a. Dividend Income

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in the case of domestic corporate shareholder, benefit of deduction under section 80M of the IT Act would be available on fulfilling the conditions.

In case of the shareholders who are individuals, Hindu Undivided Family, Association of person, Body of Individuals whether incorporated or not and every artificial juridical person, the surcharge would be restricted to 15% irrespective of the amount of dividend.

b. Tax on Capital Gains

As per section 112A of the IT Act, Long Term Capital Gains ('LTCG') arising from the transfer of equity shares on which Securities Transaction Tax ('STT') is paid at the time of acquisition and sale, shall be taxed at the rate of 12.5% (without indexation) (plus applicable surcharge and cess) of such capital gains. This is subject to fulfilment of prescribed additional conditions as per Notification No. 60/2018/F.No 370142/9/2017 dated 1 October 2018. It is worthwhile to note that tax u/s 112A of the IT Act shall only be levied where such aggregate capital gains exceed INR 1.25 lakhs in a year.

Further, the Finance Act 2022 restricts surcharge to 15% in respect of LTCG arising from any capital asset. As per section 111A of the IT Act, Short-Term Capital Gains ('STCG') arising from the transfer of equity shares on which STT has been paid at the time of sale shall be taxed at the rate of 20% (plus applicable surcharge and cess).



II. Possible special tax benefits available to the Company under the applicable direct taxation laws as per Income-tax Act, 2025, as amended by Finance Act, 2026:

A. Certain direct tax benefits available to the Company under the Income tax act, 2025, as amended by Finance Act, 2026

The statement of tax benefits outlined below is as per the Income-tax Act, 2025 read with Income Tax Rules, 2026, circulars, notifications, as amended from time to time ("Income Tax Law 2025") and applicable for Tax Year ('TY') 2026-27. These direct tax benefits are dependent on the Company fulfilling the conditions prescribed under the Income Tax Law 2025. Hence, the ability of the Company to derive the direct tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

a. Lower Corporate Tax Rate under Section 200 of the Income Tax Act

Pursuant to enactment of Income Tax Act, 2025 w.e.f. April 1, 2026, section 115BAA of earlier Income Tax Act, 1961 has been replaced by Section 200 under Income Tax Act, 2025. Section 200 grants an option to a domestic company to be governed by the section from a particular tax year. If a company opts for Section 200 of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%) provided the company does not avail any 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 205 of the Act, 2025.

Section 200 of the Act further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax ("MAT") on their 'book profits' under Section 206 of the Act.

Also, if a company opts for Section 200, it will not be subject to MAT under Section 206. No new MAT credit will accrue thereafter. However, MAT credit accumulated up to 31 March 2026 may be set off in accordance with the provisions of Section 206, as amended. Further, the company shall not be entitled to claim set-off of any brought forward loss or unabsorbed depreciation attributable to additional depreciation or other specified incentives.

The Company has decided to opt for the lower corporate tax rate of 25.168% with effect from AY 2020-2021. From AY 2020-2021 to AY 2026-27, the Company has followed Section 115BAA of the Income Tax Act, 1961, and from Tax Year 2026-27 onwards, the Company shall follow Section 200 of the Income Tax Act, 2025.

b. Deduction from Gross Total Income of the Company in respect of employment of new employees under Section 146 of the Income Tax Act, 2025 :

Pursuant to enactment of Income Tax Act, 2025 w.e.f. April 1, 2026, section 80JJAA of earlier Income Tax Act, 1961 has been replaced by Section 146 under Income Tax Act, 2025. Subject to the fulfilment of conditions specified under section 146 of the Income Tax Act, 2025 w.e.f. April 1, 2026, the Company is entitled to claim deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for consequently three assessment years including the assessment year relevant to the previous year in which such employment is provided under section under section 146. The company is presently not claiming deduction under section 146 of the IT Act. However, this deduction could be claimed in the future subject to fulfilment of the conditions discussed above.



B. Special tax benefits available to the Shareholders

a. Section 196 of the Income Tax Act, 2025 provides for taxation of short-term capital gains:

Pursuant to enactment of Income Tax Act, 2025 w.e.f. April 1, 2026, section 111A of earlier Income Tax Act, 1961 has been replaced by Section 196 under Income Tax Act, 2025. As per Section 196 of the Act, 2025, short term capital gains arising from the transfer of an equity share in a company transacted through a recognized stock exchange and chargeable to Securities Transaction Tax ('STT') shall be taxed at 20% (plus applicable surcharge and cess) (provided the short-term capital gains exceed the basic threshold limit of exemption, where applicable) subject to fulfilment of prescribed conditions under the Act, 2025.

Section 2(101) of the Act, 2025, provides that securities listed in a recognized stock exchange in India that are held for not more than 12 months immediately preceding the date of its transfer, shall constitute short-term capital assets.

b. Section 197 of the Income Tax Act, 2025 provides for taxation of long-term capital gains:

Pursuant to the enactment of the Income Tax Act, 2025 (effective April 1, 2026), Section 112 of the erstwhile Income Tax Act, 1961 has been replaced by Section 197. Under these codified provisions, maintaining the rate structure originally introduced effective July 23, 2024, the amount of income-tax on long-term capital gains arising from the transfer of a capital asset by a domestic company or resident shall be computed at the rate of 12.5% (plus applicable surcharge and cess).

c. Section 198 of the Income Tax Act, 2025 provides for taxation of long-term capital gains:

Pursuant to the enactment of the Income-tax Act, 2025 with effect from April 1, 2026, Section 112A of the Income-tax Act, 1961 has been replaced by Section 198 of the Income-tax Act, 2025. As per Section 198 of the Act, 2025, long-term capital gains exceeding INR 1,25,000 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 Section 72(2) and Section 72(6) of the Act, 2025.

d. Dividend Income earned by the shareholders would be taxable in their hands and the Company would be required to deduct tax at source on the dividend paid to the shareholders, at applicable rates. However, in case of domestic corporate shareholders, deduction under Section 148 of the Income Tax Act, 2025 would be available on fulfilling the conditions.

e. Buy Back of Shares: Budget 2026 has amended the taxability of buy back of shares and it is applicable from 01st April 2026. w.e.f. 01st April 2026, the consideration received by shareholder on buy back of shares by a company is taxable under the head "Capital Gain" instead of deemed dividend i.e. Capital Gain arising on buyback of shares are taxable in the hands of shareholders.

There are no other special tax benefits available to the Company and to the Shareholders of the Company by virtue of their investment in the shares of the Company.



Notes:

1. This Annexure is as per the Income Tax Act, 1961 as amended by the Finance Act, 2025 read with relevant rules, circulars and notifications applicable for the Financial Year 2025-26 relevant to the Assessment Year 2026-27, presently in force in India and Income Tax Act, 2025 as amended by the Finance Act, 2026 read with relevant rules, circulars and notifications applicable for the relevant for Tax year 2026-27.
2. This Annexure covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. This Annexure is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax arising out of their participation in the Issue.
4. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant Double Tax Avoidance Agreement(s), if any, between India and the country in which the non-resident has fiscal domicile.
5. No assurance is provided 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 changes from time to time. We do not assume responsibility to update the views consequent to such changes.

The tax benefits discussed in the Statement are not exhaustive and 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 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.



ANNEXURE II

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA – OTHERS

Outlined below are the special indirect tax benefits available to the Company and its shareholders under Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, Applicable State Goods and Services Tax Act, 2017 ("GST law"), Customs Act, 1962, Customs Tariff Act, 1975 ("Customs law"), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023 (collectively referred as "Indirect Tax Regulations") read with Rules, Circulars and Notifications.

I. Special tax benefits available to the Company

a. Benefits under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023)

i. Remission of duties and taxes on Exported Products (RoDTEP)

With respect to export of goods made from its unit in West Bengal, the Company is availing the benefit of remission of duties, taxes and other levies at the Central, State and local level which are borne on the exported goods manufactured in India under Remission of Duties and Taxes on Exported Products ('RoDTEP') scheme issued through Notification no. 19/2015-2020 dated 17 August 2021 by Ministry of Commerce & Industry under Department of Commerce. The rate of duty of remission for the products under RoDTEP scheme has been notified by the Government of India and it ranges from 0.5 percent to 4 percent.

ii. Export Promotion Capital Goods (EPCG)

The objective of the Export Promotion Capital Goods (EPCG) Scheme is to facilitate import of capital goods for producing quality goods and services and enhance manufacturing competitiveness. EPCG Scheme allows import of capital goods that are used in pre-production, production and post-production without the payment of customs duty. The benefit under the scheme is subject to an export value equivalent to 6 times of duty saved on the importation of such capital goods within 6 years from the date of issuance of the authorization. EPCG license holder is exempted from payment of whole of Basic Customs Duty, Additional Customs Duty and Special Additional Duty In lieu of Value Added Tax/local taxes (non-GST goods), Integrated Goods and Services Tax and Compensation Cess, wherever applicable, subject to certain conditions. However, the Company has not applied for such scheme due to commercial viability.

iii. Advance Authorization Scheme

The Advance Authorization Scheme is a scheme where the import of inputs will be allowed to be made duty-free (after making normal allowance for wastage) if they are physically incorporated in a product which is going to be exported subject to export obligations. The Company has applied for such scheme due to commercial viability.

b. Benefits under the Central Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

Under the GST regime, all supplies of goods and services which qualify as export of goods or services are zero-rated supplies.

There are two mechanisms for claiming refund of accumulated ITC against export. Either person can export under Bond/ Letter of Undertaking (LUT) as zero-rated supply and claim refund of accumulated Input Tax Credit or person may export on payment of integrated Goods and Services Tax and claim refund thereof as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017.



Thus, the GST law allows the flexibility to the exporter (which will include the supplier making supplies to SEZ) to claim refund upfront as integrated tax (by making supplies on payment of tax using ITC) or export without payment of tax by executing a Bond/LUT and claim refund of related ITC of taxes paid on inputs and input services used in making zero rated supplies.

c. Duty Drawback scheme under Section 75 of Custom Act, 1962

The company is availing the benefit of duty drawback with respect to duty paid on import of materials used in manufacture of export goods as per Duty Drawback scheme under section 75 of Custom Act, 1962.

Except the above, no other special Indirect tax benefits are available to the Company under the Indirect Tax applicable in India.

II. Special tax benefits available to the Shareholders of the Company

The shareholders of the Company are not required to discharge any GST on transaction in securities of the Company.

Securities are excluded from the definition of Goods as defined u/s 2(52) of the Central Goods and Services Tax Act, 2017 as well from the definition of Services as defined u/s 2(102) of the Central Goods and Services Tax Act, 2017.

Apart from above, the shareholders of the Company are not eligible to special tax benefits under the provisions of the Customs Tariff Act, 1975 and / or Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017 respective State Goods and Services Tax Act, 2017, Goods and Services Tax (Compensation to States) Act, 2017 including the relevant rules, notifications and circulars issued there under.

Notes:

1. This Annexure sets out only the special tax benefits available to the Company and its Shareholders under the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 ("GST Acts"), Customs Act, 1962, Customs Tariff Act, 1975 ("Customs law"), and Foreign Trade Policy 2023 notified Vide Notification No 01/2023 and which came into force from April 01, 2023 (unless otherwise specified) ("FTP").
2. This Annexure 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 proposed IPO.
3. Our comments are based on our understanding of the specific activities carried out by the Company from April 1, 2025 till the date of this Annexure as per the information provided to us. Any variation in the understanding could require our comments to be suitably modified.
4. These comments are based upon the existing provisions of the specified indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
5. 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 changes from time to time. We do not assume responsibility to update the views consequent to such changes.

