



Ruparel & Bavadiya

Chartered Accountants

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STATEMENT OF SPECIAL TAX BENEFITS

To,
The Board of Directors
Rajputana Stainless Limited
213, Madhwasi, Halol Kalol Road Kalol,
Panchmahal, Gujarat, India, 389330

And

Nirbhay Capital Services Private Limited
201, Maruti Crystal, Opp. Rajpath Club, S.G. Highway,
Bodakdev, Ahmedabad- 380054, Gujarat, India
(Referred as Book Running Lead Manager)

Dear Sirs,

Re: Proposed public offer of equity shares of face value of Rs. 10/- each (the "Equity Shares") of Rajputana Stainless Limited (the "Company") (the "Offer")

Sub.: Statement of possible Special Tax Benefits available to the Company and its equity shareholders under the direct and indirect tax laws

This report is issued in accordance with the engagement letter dated July 15th, 2025. We, Ruparel & Bavadiya, Chartered Accountants and the statutory auditors of the Company, hereby confirm that the 'Statement of Special Tax Benefits', enclosed herewith as Annexure A, prepared by the Company and initialed by us and the Company (the "Statement"), provides the special tax benefits (under direct and indirect tax laws) presently in force in India pursuant to (i) the Income-tax Act, 1961, as amended and read with the income tax rules, circulars and notifications issued in connection thereto; and (ii) 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, the respective State Goods and Services Tax Act, 2017, (collectively, the "GST Act") read with the rules, circulars, and notifications thereon, the Customs Act, 1962 and the Customs Tariff Act, 1975 and Foreign Trade Policy 2015-2020 (FTP) as amended by the Finance Act, 2025, i.e., applicable for the Financial Year 2025-26 relevant to the Assessment Year 2026-27, presently in force in India (collectively the "Taxation Laws") read with the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2026-27 relevant to the financial year 2025-26, available to the Company and its shareholders.

The Company does not have any material subsidiaries for the purpose of disclosure of tax benefits in terms of Para 9(L) of Part A of Schedule VI of the Securities and Exchange Board of India (Offer of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations").

Management responsibility

The preparation of the Statement annexed to this certificate is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation of 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.



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Auditor's Responsibility

We have performed the following procedures:

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

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.

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.

This statement of possible special tax benefits is required as per paragraph (9)(L) of Part A of Schedule VI of the SEBI ICDR Regulations.

Inherent Limitations:

1. Several of such possible special tax benefits forming part of the Statement are dependent on the Company and/or its shareholders fulfilling applicable conditions prescribed within the relevant statutory provisions and accordingly, the ability of the Company and/or its shareholders to derive such possible special tax benefits is entirely dependent upon the lawful fulfilment of such conditions by the Company and/or its shareholders, as applicable which based on business imperatives the Company faces in the future, the Company and/or its shareholders may or may not choose to fulfil.
2. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in the Statement. The benefits discussed in the Statement cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to them. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement.
3. The special tax benefits discussed within the Statement are not exhaustive and are intended to provide an illustrative understanding to prospective investors with respect to the special tax benefits available to the Company and/or its shareholders 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 changing tax laws, each prospective investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.
4. 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 Taxation Laws and its interpretation, which are subject to change from time to time.



Opinion

We report that the enclosed Statement in **Annexure A**, in all material respect, 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.

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.

Restriction on use

This certificate is issued for the purpose of the Offer, and can be used, in full or part, for inclusion in the draft red herring prospectus, updated draft red herring prospectus, red herring prospectus, prospectus and any other material used in connection with the Offer (together, the "**Offer Documents**") which may be filed by the Company with Securities and Exchange Board of India ("**SEBI**"), BSE Limited and National Stock Exchange of India Limited (collectively, the "**Stock Exchanges**"), Registrar of Companies, Ahmedabad (the "**RoC**") and / or any other regulatory or statutory authority.

This certificate may be relied on by the BRLMs, their affiliates and legal counsels in relation to the Offer and to assist the BRLMs in conducting and documenting their investigation and due diligence of the affairs of the Company in connection with the Offer. We hereby consent to this certificate being disclosed by the BRLMs, if required (i) by reason of any law, regulation, order or request 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 undertake to immediately communicate, in writing, any changes to the above information/ confirmations, as and when: (i) made available to us; or (ii) we become aware of any such changes, to the BRLMs and the Company until the equity shares allotted in the Offer commence trading on the relevant stock exchanges. In the absence of any such communication from us, the Company, the BRLMs and the legal advisors appointed with respect to Offer can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

Yours faithfully,

For Ruparel & Bavadiya
Chartered Accountants
Firm Reg. No. 126260W



CA Devendra Barot
Partner

Membership No. 614766
UDIN: 25614766SIJFVU4658
Place: Vadodara
Date: 30/12/2025

Encl: As above
CC:

Legal Counsel to the Offer
Vidhigya Associates

A-105, Kanara Business Centre, Link Road,
Laxmi Nagar, Ghatkopar (East) Mumbai-400075
Contact Person: Rahul Pandey
Email: rahul@vidhigyaassociates.com



ANNEXURE A

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO RAJPUTANA STAINLESS LIMITED AND ITS SHAREHOLDERS

The information provided below sets out the possible special direct tax benefits available to Rajputana stainless limited ("**company**") and its shareholders 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 (as amended by the finance act 2025) read with income tax rules, 1962, circulars, notifications, the central goods and services tax act, 2017, the integrated goods and services tax act, 2017, the state goods and services tax act as passed by respective state governments from where the company and its shareholders operate and applicable to the company and its shareholders, customs act 1962 and foreign trade policy 2023 (as extended) including the rules, regulations, circulars and notifications issued there under (collectively referred as "taxation laws") presently in force in India.

Several of these benefits are dependent on fulfilling the conditions prescribed under the relevant taxation laws. Hence, the ability of the company and its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business / commercial imperatives any of them face, may or may not choose to fulfill. We do not express any opinion or provide any assurance as to whether the company and its shareholders will continue to obtain these benefits in 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 taxation laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Investors are advised to consult their own tax consultant with respect to the tax implications of an investment and consequences of purchasing, owning and disposing of equity shares in the securities, 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 benefits, which an investor can avail in their particular situation.

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

I. Special Direct Tax Benefits Available to the Company

This Statement sets out the possible direct tax benefits available to the **Company** and its **shareholders** under the provisions of the Income-tax Act, 1961 ("ITA") as amended from time to time, including amendments made through the **Finance Act, 2025**, and as applicable for **Financial Year 2025-26** relevant to **Assessment Year 2026-27**.

1. Concessional Corporate Tax Rate under Section 115BAA

Section 115BAA, introduced by the Taxation Laws (Amendment) Act, 2019, provides an **optional concessional corporate tax rate of 22%** (effective tax rate **25.168%**, including surcharge @10% and health & education cess @4%) for domestic companies.

This option may be exercised subject to the following key conditions:

- The Company must **forego certain exemptions, incentives and deductions**, including:
 - Deduction under **Section 10AA**
 - Additional depreciation under **Section 32(1)(iia)**
 - Deductions under **Sections 32AD, 33AB, 33ABA**



- Weighted deduction for scientific research under **Section 35(1)(ii)/(iia)/(iii), 35(2AA), 35(2AB)**
- Deductions under **Section 35AD, 35CCC, 35CCD**
- Deductions under **Chapter VI-A**, except **Section 80JJAA** and **Section 80M**
- **No set-off** of brought-forward losses or unabsorbed depreciation attributable to the above-prohibited deductions is permitted.
- **MAT under Section 115JB does not apply** once the option is exercised.
- **MAT credit** carried forward, if any, **cannot be utilised** (as clarified in CBDT Circular 29/2019).

Once exercised, the option under Section 115BAA is **irrevocable**.

2. Deduction Under Section 80JJAA – Employment of New Employees

Subject to fulfilment of prescribed conditions, the Company is eligible for deduction under **Section 80JJAA** equal to **30% of additional employee cost** relating to eligible new employees.

- Deduction allowable for **three consecutive assessment years**, including the year in which employment is provided.
- Section 80JJAA is **available even when the Company opts for the concessional tax rate** under Section 115BAA.

II. Special Direct Tax Benefits Available to Shareholders

There are **no specific or exclusive direct tax incentives** provided to shareholders for investing in the Company's equity shares. However, shareholders may be eligible for certain concessional tax rates under general provisions of the ITA, as summarised below:

1. Taxability of Dividend Income

Dividend income is taxable in the hands of shareholders at the applicable rates.

Key points:

- For **individuals, HUFs, AOPs, BOIs, and artificial juridical persons**, the **maximum surcharge on dividend income is capped at 15%**, irrespective of total income.
- Domestic corporate shareholders may claim **deduction under Section 80M** subject to fulfilment of conditions.

2. Tax on Capital Gains

a) Long-term Capital Gains (LTCG) – Section 112A

- LTCG from transfer of equity shares, units of equity-oriented funds, or units of a business trust is taxable at **12.5%** (plus applicable surcharge and cess), on gains exceeding **₹1,25,000**.



- Conditions:
 - **STT must be paid** at the time of transfer.
 - In case of equity shares, STT must also have been paid at the time of acquisition (with notified exceptions).

b) Short-term Capital Gains (STCG) – Section 111A

- STCG arising from transfer of equity shares or specified units (on which STT is paid) is taxable at **20%** (plus surcharge and cess), subject to prescribed conditions.

3. New / Simplified Tax Regime under Section 115BAC

Section 115BAC continues to provide an optional simplified tax regime for the following categories of taxpayers:

- Individuals
- Hindu Undivided Families (HUFs)
- Associations of Persons (AOPs)
- Bodies of Individuals (BOIs)
- Artificial juridical persons

For **FY 2025-26 (AY 2026-27)**, and after incorporating amendments/clarifications made through the **Finance Act, 2025**, the key features of the simplified tax regime are:

- **Basic exemption limit at ₹4,00,000.**
- **Rebate under Section 87A** continues to be available to **resident individuals** having total income up to **₹12,00,000**, resulting in **nil effective tax** under the new regime.
- **Standard deduction of ₹75,000** is permitted for salary or pension income under the new tax regime.
- The **maximum surcharge is capped at 25%**, except for certain incomes (such as specified long-term capital gains) for which the surcharge structure prescribed under the ITA continues to apply.
- As reaffirmed through the Finance Act, 2025, the **new tax regime remains the default regime** for individuals unless an option to opt out is furnished within the prescribed timelines.
- Clarification under Finance Act, 2025: taxpayers opting for the new regime are allowed only the deductions specifically permitted under Section 115BAC, and **all other exemptions/deductions (including Chapter VI-A deductions)** remain restricted unless expressly allowed.

Shareholders who fall within any of the above categories may choose to adopt the simplified tax regime under Section 115BAC, depending on their eligibility and tax planning objectives.



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

The following statement sets out the possible indirect tax benefits available to the **Company** and its **shareholders** under the applicable indirect tax laws as amended up to **FY 2025-26**, including:

- The Central Goods and Services Tax Act, 2017 (“CGST Act”),
- The Integrated Goods and Services Tax Act, 2017 (“IGST Act”),
- The Union Territory Goods and Services Tax Act, 2017 (“UTGST Act”),
- The respective State Goods and Services Tax Acts, 2017 (“SGST Acts”),
- The Customs Act, 1962,
- The Customs Tariff Act, 1975, and
- The Foreign Trade Policy, 2023 (“FTP 2023”).

(Collectively referred to as the “Indirect Tax Laws”).

I. Benefits under the GST Legislation (CGST, SGST, IGST and UTGST Acts)

1. Zero-Rated Supplies – Export of Goods

Under the GST framework, exports of goods and services are treated as **zero-rated supplies**. Consequently, for export transactions carried out by the Company:

- The Company is entitled to avail **Input Tax Credit (ITC)** on inputs and input services used in making such exports.
- The Company may claim **refund of unutilised ITC** accumulated on account of exports made **without payment of IGST**, or
- Export goods **with payment of IGST** and claim **refund of the IGST** so paid.

This benefit continues to be available under the GST laws as amended up to **FY 2025-26**.

II. Special Indirect Tax Benefits Available to the Company

1. Benefits under the Customs Tariff Act, 1975

The Company may be eligible for certain **export-linked incentives** in the form of **duty credit scrips**, calculated as a percentage of the **FOB value of exports** declared in the shipping bill.

These scrips, issued under permissible schemes notified under FTP 2023 or other customs notifications, can be utilised for:

- Payment of **Basic Customs Duty (BCD)** on eligible imports;
- Transfer/sale of such scrips, subject to conditions prescribed (if permitted).

2. Benefits under the Foreign Trade Policy, 2023

Under FTP 2023 (as amended up to FY 2025-26):

- There are **no special or additional indirect tax benefits** available to the Company specifically by virtue of its nature of business or export profile.
- The general export facilitation measures under FTP 2023 (such as advance authorisation, EPCG, RoDTEP, RoSCTL, etc.) may be available depending on eligibility, but no **special** benefit applies solely due to the Company's shareholding structure or existence.



III. Special Indirect Tax Benefits Available to Shareholders

There are **no special indirect tax benefits** available to the Company's shareholders merely by virtue of their investment in the equity shares of the Company under the GST laws, Customs laws or FTP 2023.

NOTES

1. **The Company does not have any material subsidiary.**
 2. The above statement outlines the provisions of the Indirect Tax Laws **in a summary manner** and does not purport to be a comprehensive analysis of all tax consequences arising from the purchase, holding or disposal of equity shares.
 3. This statement covers only **special indirect tax benefits**, if any, under GST Laws, Customs Laws and FTP 2023, and does **not** consider benefits, obligations or reliefs that may arise under any other Indian or foreign laws.
 4. The above statement is based on the Indirect Tax Laws as applicable for **FY 2025-26**. Many of the benefits described are subject to the Company satisfying the conditions prescribed in the relevant statutes, rules, notifications and circulars.
 5. In case of non-resident shareholders, the applicability of indirect taxes, if any, will depend upon the provisions of relevant laws and the specific facts of each case. Indirect tax benefits under Double Taxation Avoidance Agreements are **not applicable**, as DTAA provisions relate only to direct taxes.
 6. No assurance can be provided that the tax authorities or courts will concur with the interpretations expressed herein. The views are based on current law and its prevailing interpretation, which is subject to change. We do not undertake any obligation to update this statement following such changes.
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