

# BSR & Co. LLP

Chartered Accountants

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## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors

### **R R Kabel Limited**

Ram Ratna House,  
Victoria Mill Compound,  
Pandurang Budhkar Marg,  
Worli, Mumbai- 400 013  
Maharashtra, India

Date: 6 September 2023

**Subject: Statement of possible special tax benefits (“the Statement”) available to R R Kabel Limited (“the Company”) and its shareholders prepared in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“the ICDR Regulations”)**

This Statement is issued in accordance with the Engagement Letter dated 21 February 2023.

We hereby report that the enclosed Annexure II prepared by the Company, initialed by us 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. 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 II cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the Management of the Company. 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 (the “**Proposed Offer**”) 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 the Statement.

## B S R & Co. LLP

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "**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.

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 the 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 give consent to include this Statement in the Red Herring Prospectus, the Prospectus and in any other material used in connection with the Proposed Offer and submission of this Statement to the Securities and Exchange Board of India, the stock exchanges where the Equity Shares of the Company are proposed to be listed and the Registrar of Company of Maharashtra at Mumbai in connection with the Proposed Offer, as the case may be, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **B S R & Co. LLP**  
*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

Rupen Dilip  
Kumar Shah

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Date: 2023.09.06  
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**Rupen Shah**  
*Partner*

Membership No: 116240

ICAI UDIN: 23116240BGWVFQ5052

Place: Mumbai  
Date: 6 September 2023

B S R & Co. LLP

**cc:**

**Axis Capital Limited**  
1st Floor, Axis House,  
C-2 Wadia International Centre,  
Pandurang Budhkar Marg  
Worli, Mumbai 400 025  
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**Citigroup Global Markets India Private Limited**  
1202, 12th Floor, First International Financial Centre (FIFC)  
G-Block, Bandra Kurla Complex, Bandra East  
Mumbai 400 051  
Maharashtra, India

**HSBC Securities and Capital Markets (India) Private Limited**  
52/60, Mahatama Gandhi Road, Kala Ghoda  
Fort, Mumbai, 400001  
Maharashtra, India

**JM Financial Limited**  
7th Floor, Cnergy,  
Appasaheb Marathe Marg,  
Prabhadevi, Mumbai – 400 025  
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**ANNEXURE I**  
**LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')**

<b>Sr. No</b>	<b>Details of tax laws</b>
1.	Income-tax Act, 1961 and Income-tax Rules, 1962
2.	Central Goods and Services Tax Act, 2017
3.	Integrated Goods and Services Tax Act, 2017
4.	State Goods and Services Tax Act, 2017
5.	Customs Act, 1962 and Customs Tariff Act, 1975 read with respective rules, circulars and notifications made thereunder
6.	Foreign Trade Policy 31 March 2023

## ANNEXURE II

### STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO R R KABEL LIMITED (“THE COMPANY”) AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES (“TAX LAWS”)

Outlined below are the Possible Special Tax Benefits available to the Company and its shareholders under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the Possible Special 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.

#### UNDER THE TAX LAWS

##### A. Special tax benefits available to the Company

###### a) Direct Tax Laws

###### - Deduction under Section 80JJAA of the Act

Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction, under the provisions of Section 80JJAA of the Income-tax Act, 1961, 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 three assessment years including the assessment year relevant to the previous year in which such employment is provided.

###### - Section 80M of the Act

Under Section 80M of the Income-tax Act, 1961, in respect of dividend received by the Company from any other domestic company or a foreign company or a business trust and included in the Company’s total income, a deduction is available to the Company of an amount equal to so much of the dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by the Company on or before one month prior to due date of furnishing the income-tax return for the relevant year.

###### b) Indirect Tax Laws

- The Company is availing FTA’s (Foreign Trade Agreements) benefits of basic duty exemption in terms of Foreign Trade Policy 2023 and complying conditions as per applicable provisions.
- The Company is availing the benefit on import of goods under Advance Authorization Scheme in terms of Foreign Trade Policy 2023, getting duty exemption and complying conditions as per applicable provisions.
- The Company has opted to export the goods without payment of Integrated GST under a Letter of Undertaking for the Financial Year 2023-24 and is entitled to claim refund of accumulated ITC on such exports in terms of GST law.
- The Company is claiming rebate of taxes/duties on inputs under Remission of Duties and Taxes on Exported Products (RoDTEP) scheme at the applicable rates.

**R R KABEL LIMITED** | RR Global Company | [www.rrkabel.com](http://www.rrkabel.com) | CIN NO.: U28997MH1995PLC085294

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- The Company is claiming duty drawback of duty paid on import of materials used in manufacture of exported goods under Section 75 of the Customs Act 1962.

**B. Special tax benefits available to Shareholders**

There are no special tax benefits available to the Shareholders under the Tax Laws.

**NOTES:**

1. The above is as per the current Tax Laws prevalent as on the date of issuance of this certificate.
2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.
4. The possible special tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.
5. The tax benefits discussed in the Statement are not exhaustive and are 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.
6. The stated benefits will be available only to the sole/ first named holder in case the equity shares are held by joint holders.
7. In respect of non-residents, the tax rates and the consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

**For R R Kabel Limited**

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**Shreegopal Rameshwarlal Kabra**

Managing Director

Place: Mumbai

Date: 6 September 2023

Rupen Dilip  
Kumar  
Shah

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