# T U & CO.

**Chartered Accountants**

**The Board of Directors,**
**Raksan Transformers Limited**
**(Formerly known as Raksan Transformers Private Limited)**
Registered Office: Shop No. 16, Local Shopping Centre-3 Sector-8, Rohini, Delhi-110085
Corporate Office: Plot No 1675-76-77, HSIIDC Industrial Estate, Rai, P.S. Rai, Sonipat, Haryana -131029

**Subject: Auditor Certificate with respect to Statement of Tax Benefits**

**Re: Proposed initial public offering of equity shares of face value of Rs. 10 each ("Equity Shares" and such initial public offer, an "IPO" or "Issue") of Raksan Transformers Limited (Formerly known as Raksan Transformers Private Limited) (the "Company") comprising of fresh issue of the Equity Shares by the Company (the "Fresh Issue") and an offer for sale of Equity Shares by certain existing shareholders of the Company (the "Offer for Sale", and together with the Fresh Issue, the "Offer").**

Dear Sir,

We, M/s **TU & CO.,** Chartered Accountants, are the statutory auditors of the Company, have received a request from the Company to certify the data/ information related to Tax Benefits that are available to the company and its shareholders, both existing and prospective.

This certificate is issued in accordance with our engagement letter dated 8th July, 2026 with the Company in relation to the proposed offer. We hereby report that the enclosed annexure prepared by the management of **Raksan Transformers Limited** (Formerly known as Raksan Transformers Private Limited) states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 2025 as amended by the Finance Act 2026, 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, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") 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 Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

Our engagement was undertaken in accordance with standard on related services SRS (4400), "Engagements to perform Agreed –Upon Procedures regarding Financial Information", issued by the Institute of Chartered Accountants of India Further We have conducted our examination in accordance with the "Guidance Note on Reports in Company Prospectuses (Revised 2019)" ("**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 also 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.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statements and the contents stated therein is the responsibility of the



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Company's management. We are informed that 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 proposed initial public offering of Equity shares ("the Issue") by the Company.

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

a) The Company or its shareholders will continue to obtain these benefits in future; or
b) The conditions prescribed for availing the benefits have been/would be met.

This certificate is given solely based on information, explanations and representations provided by the company which information have been examined by us in accordance with the said acts and rules thereunder and on the basis of our understanding of the business activities and operations of the Company.

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the red herring prospectus, prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

This statement has been prepared solely in connection with the Proposed Issue by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

**For, M/s TU & CO.**
**Chartered Accountants,**
**FRN: 004555N**
**Peer Review Number: 020190**

**Tilak Chandna**
**(Partner)**
**M. No.: 082382**
**Place: New Delhi**
**UDIN: 26082382BVXPOD3400**
**Date: 03.08.2026**

## ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS

The information provided below sets out the special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 2025 as amended by the Finance Act, 2026 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in Equity Shares 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.

### A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY:

The Company is not entitled to any special tax benefits under the Income Tax Act, 2025 as amended by the Finance Act, 2026 and GST Act.

### B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS:

The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 2025 as amended by the Finance Act, 2026 and GST Act.

**NOTES:**

1. The above Annexure of 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 potential tax consequences of the purchase, ownership and disposal of shares.

2. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.

3. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the assessment year 2026-27. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.

4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.

5. A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act, 2019') with effect from Financial Year 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/ incentives. The option under section 115BAA of the Act once exercised cannot be subsequently withdrawn for any future financial year. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ('MAT') under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises the option of lower tax rate under Section 115BAA, MAT credit would not be available.

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With effect from April 1, 2026, the corresponding provisions are contained in Section 200 of the Income-tax Act, 2025. Section 200 provides an option to a domestic company to compute its income tax liability at the rate of 22%, subject to computation of its total income in accordance with the conditions specified thereunder. The surcharge applicable to a company opting for Section 200 is 10%, irrespective of the amount of total income, and health and education cess is applicable at the prescribed rate. Accordingly, the effective tax rate, based on the presently applicable surcharge and cess, is approximately 25.168%

The Company has exercised the option under Section 115BAA of the Income-tax Act, 1961 for the periods covered by the Restated Financial Information. The said option corresponds to Section 200 of the Income-tax Act, 2025 for tax years beginning on or after April 1, 2026.

In such a case, the Company is not allowed to claim any of the following deductions/ exemptions/ allowances under the Act: -

- ✓ deduction in respect of profits and gains derived by eligible units established in a Special Economic Zone;
- ✓ additional depreciation in respect of new plant and machinery;
- ✓ specified investment-linked deductions and allowances, including deductions relating to investment in notified backward areas, tea, coffee or rubber development accounts and site restoration funds;
- ✓ specified deductions in respect of expenditure on scientific research;
- ✓ deductions in respect of specified businesses and agricultural extension projects;
- ✓ deductions in respect of expenditure on notified skill development projects;
- ✓ deductions under Chapter VIII of the Income-tax Act, 2025, other than the deductions specifically permitted under Section 200, including the corresponding deductions relating to employment of new employees and certain inter-corporate dividends;
- ✓ set-off of any loss carried forward or depreciation from an earlier tax year, to the extent such loss or depreciation is attributable to any exemption, deduction or allowance not permissible under the concessional tax regime; and
- ✓ set-off of any loss or unabsorbed depreciation deemed under the provisions relating to amalgamation, demerger, business reorganisation or succession, to the extent such loss or depreciation is attributable to any exemption, deduction or allowance not permissible under the concessional tax regime.

Under Section 200 of the Income-tax Act, 2025, the total income is specifically required to be computed without deductions under Sections 45(2), 47(1)(b), Chapter VIII other than Sections 146 and 148, and the provisions specified in Section 205(1)(a) to (g). Further, losses and depreciation attributable to such deductions cannot be set off and are deemed to have been given full effect, with no further deduction being available in subsequent tax years.

A company that has validly exercised the option under Section 115BAA of the Income-tax Act, 1961 was not subject to Minimum Alternate Tax under Section 115JB of that Act. Correspondingly, the Minimum Alternate Tax provisions contained in Section 206 of the Income-tax Act, 2025 do not apply to a company that has exercised the option under Section 200.

Further, the option exercised under Section 200 is required to be exercised in the prescribed manner on or before the due date for furnishing the return of income. Once exercised, the option applies to subsequent tax years and cannot subsequently be withdrawn. Failure to



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6. Lower corporate tax rate under Section 115BAA of the Act and Minimum Alternate Tax ('MAT') credit under section 115JAA of the Act which are in general available and hence may not be treated as special tax benefits.

7. The Company has evaluated and decided to exercise the option permitted under Section 115BAA of the Act for the purpose of computing its income-tax liability from the Financial Year 2023-24.

8. 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 or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

9. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.

10. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefits.

11. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The 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. We shall not be liable to 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 any other person in respect of this statement.

On the basis of procedures performed above by us, it is reported that the information provided in the accompanying schedule are true and correct and not misleading and without omission of any matter that is likely to mislead, and adequate to enable investors to make a well-informed decision.

This certificate is issued for the sole purpose of the proposed issue and this certificate or any extracts or annexures thereof, can be used, in full or part, for inclusion in the red herring prospectus, prospectus and any other material used in connection with the Issue, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the BRLM in connection with the Issue and in accordance with applicable law, and for the purpose of any defense the BRLM may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents. We also consent to this certificate to be uploaded on the website, repository and, or, the database of the stock exchanges.

This certificate may be relied on by Company, BRLM, their affiliates and legal counsel appointed in relation to the Issue.



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Because the above procedures do not constitute either an audit or review made in accordance with the generally accepted auditing standards in India, we do not express any assurance on the information contained in the accompanying schedule. Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with the generally accepted auditing standards in India, other matters might have come to our attention that would have been reported to you. Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties.

We have considered the effect on the subject matter information of events made up to the date of our report/certificate. We would respond appropriately to the facts that become known to us after the date of the report/certificate that, had they become known to us at that date, may have caused us to amend the report/certificate. However, we have no responsibility to perform any procedures regarding the subject matter information after the date of our report/certificate.