

Prateek Gupta & Company

Chartered Accountants

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS, ITS MATERIAL SUBSIDIARY UNDER THE APPLICABLE TAX LAWS IN INDIA

To,

The Board of Directors
Bansal Wire Industries Limited
F-3, Main Road, Shastri Nagar,
New Delhi - 110052,
India (the "Company")

Dear Sir/Madam,

Re: Statement of possible special tax benefits available to Bansal Wire Industries Limited, its shareholders and its material subsidiary prepared in accordance with the requirements under Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations")

Sub: Proposed initial public offering of equity shares of face value of ₹ 5/- each (the "Equity Shares") of Bansal Wire Industries Limited (the "Company" and such offer, the "Issue")

1. We, Prateek Gupta & Company, Chartered Accountants ("the Firm"), the statutory auditors of the Company, hereby confirm the enclosed statement ("Statement") in the Annexure 1 to 3 prepared and issued by the Company, which provides the possible special tax benefits under Income-tax Act, 1961 ('Act') presently in force in India viz. the Income-tax Act, 1961, ('Act'), the Income-tax Rules, 1962, ('Rules'), regulations, circulars and notifications issued thereon, as applicable to the assessment year 2024-25 relevant to the financial year 2023-24, possible special tax benefits 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"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act"), as amended by the Finance Act 2021 including the relevant rules, notifications and circulars issued there under, applicable for the Financial Year 2023-24, available to the Company, its shareholders and to its material subsidiary identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, being Bansal Steel & Power Limited ("Material Subsidiary"). Several of these benefits are dependent on the Company, its shareholders and Material Subsidiary, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company, its shareholders and Material Subsidiary to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders face in the future, the Company, its shareholders and Material Subsidiary may or may not choose to fulfil.
2. This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations"). 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. 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. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.
3. Our views are based on the existing provisions of law 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.



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4. The benefits discussed in the enclosed Statement cover the possible special tax benefits available to the Company, its shareholders and Material Subsidiary and do not cover any general tax benefits available to them.
5. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
6. The benefits stated in the enclosed Statement are not exhaustive and the preparation of the contents stated is the responsibility of the 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 distinct nature of the tax consequences and the changing tax 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 and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.
7. We do not express any opinion or provide any assurance whether:
 - The Company, its shareholders and Material Subsidiary will continue to obtain these benefits in future;
 - The conditions prescribed for availing the benefits have been/would be met;
 - The revenue authorities/courts will concur with the views expressed herein.
8. 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 and Material Subsidiary. We have relied upon the information and documents of the Company and Material Subsidiary being true, correct, and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.



9. This Statement is addressed to Board of Directors and BRLMs and issued at specific request of the Company for submission to the BRLMs to assist them in conducting their due-diligence and documenting their investigations of the affairs of the company in connection with the proposed Issue. This report may be delivered to SEBI, the stock exchanges, to the Registrar of Companies, Delhi and Haryana at New Delhi or to any other regulatory and statutory authorities by the BRLMs only when called upon by SEBI or the stock exchanges in connection with any inspection, enquiry or investigation, as the case may be, to evidence BRLMs due diligence obligations pertaining to subject matter of this report or for any defense that the BRLMs may wish to advance in any claim or proceeding with SEBI or stock exchanges in connection with due diligence obligations of the BRLMs in the Issue pertaining to subject matter of this report. It should not be used by any other person or for any other purpose. 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 report is shown or into whose hands it may come without our prior consent in writing.

For Prateek Gupta & Company,
Chartered Accountants
ICAI Firm Registration Number: 016512C


Prateek Gupta
Partner
Membership No. 416552
Place: Delhi
UDIN: 24416552BKAA7NU6274
Date: June 12, 2024



ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND MATERIAL SUBSIDIARY

Deduction with respect to inter-corporate dividends – Section 80M of the IT Act As per the provisions of section 80M of the IT Act, inserted with effect from 01 April 2020, a domestic company shall be allowed to claim a deduction of dividend income earned from any other domestic company or a foreign company or a business trust. The amount of deduction so claimed should not exceed the amount of dividend distributed by it on or before the due date. In this case, due date means one month prior to the due date of furnishing return of income under sub section (1) of section 139 of the IT Act.



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

I. Special tax benefits available to the Company and its shareholders

The Company has also 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 has claimed the benefit of full customs duty exemption under Export Promotion Capital Goods Scheme (EPCG) on import of capital goods in Financial Year 2023-24 with a condition to meet prescribed export obligation within the prescribed period in terms of Foreign Trade Policy 2015-20.

The Company has claimed the benefit under the Remission of Duties or Taxes on Export Products "RODTEP" scheme framed by the Government of India on the exports of goods of eligible items in the Financial Year 2023-24.

II. Special tax benefits available to the Material Subsidiary

The Material Subsidiary is eligible to export the goods without payment of Integrated GST under a Letter of Undertaking for the Financial Year 2023-24.

