

# V. SACHDEVA & ASSOCIATES

## CHARTERED ACCOUNTANTS

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### STATEMENT OF SPECIAL TAX BENEFITS

Date: 23 December 2025

To,

The Board of Directors

Neolite ZKW Lightings Limited

N-13, 2<sup>nd</sup> Floor South Extension Part-I

New Delhi 110 049,

Delhi, India

(the "Company")

Dear Sirs/Madams,

**Re:** Proposed initial public offering of equity shares of face value of ₹ 10 each (the "Equity Shares") of Neolite ZKW Lightings Limited (the "Company") comprising a fresh issue and an offer for sale by certain existing shareholders of the Company (the "Offer")

**Sub:** Statement of special tax benefits available to the Company and its Shareholders under the direct and indirect tax laws, prepared in accordance with the requirement 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")

We, V. Sachdeva & Associates, the statutory auditors of the Company, report that the enclosed statement in the Annexure A and B prepared by the Company, initialled by us for identification purpose ("statement"), states the special tax benefits under

- the Income Tax Act, 1961 (the "ITA" or the "Act") read with Income tax Rules, 1962 ('Income Tax Rules'), circulars, notifications, as amended by the Finance Act, 2025 (collectively hereinafter referred to as the "Income Tax Law") applicable for the Financial Year 2025-26 relevant to the assessment year 2026-27, presently in force in India; and
- the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, applicable State/ Union Territory Goods and Services Tax Act, 2017, the Customs Act, 1962, the Customs Tariff Act, 1975, as amended by the Finance Act 2025 including the relevant rules, notifications and circulars issued there under, the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023) (collectively referred as "Indirect tax Regulations") presently in force in India.

available to the Company and its shareholders. Several of these benefits are dependent on the Company and its shareholders, fulfilling the conditions prescribed under the relevant provisions of the statute.

Hence, the ability of the Company and its shareholders to derive the 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 fulfil.

The Act, the GST Act, the Customs Act and the Tariff Act as defined above, are collectively referred to as the ("Relevant Acts").

The benefits discussed in the enclosed statement cover only special tax benefits available to the Company and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to them. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the SEBI ICDR Regulations. 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 Offer. Neither are we suggesting nor advising the investor to invest in the Offer based on this statement.

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

- 1) the Company or its shareholders will continue to obtain these benefits in future; or
- 2) the conditions prescribed for availing the benefits have been/would be met with; or
- 3) the revenue authorities will concur with the views expressed herein.

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

We conducted our examination of the Statement in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India (ICAI) which requires that we comply with the ethical requirements of the Code of Ethics issued by the (ICAI). We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI.

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 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 here under and included in the draft red herring prospectus, red herring prospectus and prospectus of the Company or in any other material used in connection with the Offer.

We also consent to the inclusion of this letter as a part of "*Material Contracts and Documents for Inspection*" in connection with this Offer, which will be available for public for inspection. We further consent to this letter being uploaded, as may be necessary, on the online document repository platform of the stock exchanges in terms of applicable law.

Further, upon receiving any communication from Management or by any third party of any change to certificate we confirm that we will immediately communicate any changes in writing in the above information to the BRLMs until the date when the Equity Shares commence trading on the stock exchanges being BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). In the absence of any such communication from us, the Book Running Lead Managers and the legal advisors, each to the Company and the BRLMs, 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.

This certificate is for information and for inclusion (in part or full) in the draft red herring prospectus ("DRHP"), the red herring prospectus ("RHP") and the prospectus ("Prospectus") filed 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 advisors appointed by the Company and the BRLMs in relation to the Offer. We hereby consent to the submission of this certificate as may be necessary to SEBI, the Registrar of Companies, Delhi and Haryana at New Delhi, the relevant stock exchanges, any other regulatory authority and/or for the records to be maintained by the BRLMs and in accordance with applicable law.

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

For and on behalf of V. Sachdeva & Associates  
Chartered Accountants  
Firm Registration Number: 004417N

**VARUNISH**  
**SACHDEV**

Digitally signed by VARUNISH SACHDEV  
DN: c=IN, o=Personal,  
postalCode=122001, st=Haryana,  
serialNumber=EFF2210B487E667840124  
AD033789E09084F5F367472FD6D9113E  
48508940E6E, cn=VARUNISH SACHDEV  
Date: 2025.12.23 15:32:49 +05'30'

Name: V. Sachdev  
Designation: Proprietor  
Membership No.: 083435  
UDIN: 25083435 CJDFAZ7089

Place: New Delhi  
Date: 23 December 2025



## Annexure A

### STATEMENT OF SPECIAL DIRECT TAX BENEFITS AVAILABLE TO NEOLITE ZKW LIGHTINGS LIMITED (the 'Company')

Outlined below are special direct tax benefits available to the Company and its shareholders under the Income tax Act, 1961 (the "ITA" or the "Act") read with Income tax Rules, 1962 ('Income Tax Rules'), circulars, notifications, as amended by the Finance Act, 2025 (collectively hereinafter referred to as the "Income Tax Law"). These special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant Income Tax Law.

#### **A. Special direct tax benefit available to the Company**

##### **1) Beneficial corporate tax rate in case of domestic Company - section 115BAA of the ITA**

Section 115BAA of the ITA, introduced vide The Taxation Laws (Amendment) Act, 2019, lays down certain conditions on fulfilment of which domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess). The option to apply under this tax rate is made available from Financial Year ('FY') 2019-20 relevant to Assessment Year ('AY') 2020-21 and the option once exercised shall apply to subsequent AY's unless rendered invalid due to violation of specified conditions. The concessional tax rate of 22% (plus surcharge of 10% and health and education cess of 4%) is subject to a Company not availing any of the following deductions / exemptions under the provisions of the ITA:

- Section 10AA: Tax holiday available to units in a Special Economic Zone
- Section 32(1)(iia): Additional depreciation
- Section 32AD: Investment allowance
- Section 33AB/3ABA: Tea coffee rubber development expenses/site restoration expenses
- Section 35(1)(ii) or 35(1)(iia) or 35(1)(iii) or /35(2AA)/ 35(2AB): Expenditure on scientific research
- Section 35AD: Deduction for capital expenditure incurred on specified businesses
- Section 35CCC/35CCD: expenditure on agricultural extension /skill development
- Section 80LA of the ITA 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 ITA
- Chapter VI-A except for the provisions of section 80JJAA, and section 80M

The total income of a Company availing the concessional rate of 25.168% (i.e., 22% plus 10% surcharge and 4% health and education cess) is required to be computed without set off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A Company can exercise the option to apply for the concessional tax rate by filing Form 10IC (pursuant to section 115BAA) on or before the due date of filing return of income under section 139(1) of the ITA. Further, provisions of Minimum Alternate Tax ('MAT') under section 115JB of the ITA shall not be applicable to companies availing these reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

The provisions do not specify any limitation / condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail the concessional tax rate by filing Form 10-IC (on or



before the due date of filing income tax return under section 139(1) of the ITA) which is a pre-requisite for availing of the concessional tax rates under section 115BAA of the ITA.

*Note –The Company have opted the lower tax rate as per section 115BAA of the ITA in FY 2022-23 relevant to AY 2023-24 as mentioned in the Section 115BAA of ITA and have filed form 10IC on 30 September 2023 which is a pre-requisite for availing the concessional tax rates under section 115BAA of the ITA.*

2) Deduction in respect of employment of new employees – Section 80JJAA of the ITA

As per section 80JJAA of the ITA, where a Company is subject to tax audit under section 44AB of the ITA and derives income from business, it shall be allowed to claim a deduction of an amount equal to 30% of additional employee cost (relating to specified category of employees) 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. Additional employee cost means the total emoluments paid or payable to additional employees employed during the year.

The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in sub-section (2) of section 80JJAA of the ITA. Further, to claim the aforesaid deduction, the Company is required to furnish the report of an accountant electronically in Form 10DA containing the particulars of deduction prior to the due date of filing tax audit report as per section 44AB of the ITA. The deduction under Section 80JJAA of the ITA would continue to be available to the Company even where the Company opts for the lower tax rate of 22% under section 115BAA of the ITA. The Company should be eligible to claim this deduction in case they incur additional employee cost within the meaning of Explanation (i) to sub-Section (2) of Section 80JJAA of the Act and satisfies the conditions as mentioned in the said Section.

*The Company has not availed any deduction under section 80JJAA of the ITA in their tax returns.*

3) Deduction in respect of inter-corporate dividends – Section 80M of the ITA

As per the provisions of section 80M of the ITA, a domestic Company shall be allowed to claim a deduction with respect to dividend income earned from any other domestic company or a foreign Company or a business trust. However, such deduction shall be restricted to the amount of dividend distributed by it to its shareholders on or before the due date, i.e., one month prior to the date of furnishing the return of income under sub-section (1) of section 139 of the ITA.

4) Deduction in respect of certain preliminary expenses – Section 35D of the ITA

In accordance with and subject to the fulfilment of conditions as laid out under section 35D of the ITA, the Company may be entitled to amortize preliminary expenditure, being specified expenditure incurred in connection with the issue for public subscription or such other expenditure as prescribed under section 35D of the ITA, subject to the limit specified therein (viz maximum 5% of the cost of the project or 5% of the capital employed in the business of the Company).

The deduction is allowable for an amount equal to one-fifth of such expenditure for each of five successive previous years beginning with the previous year in which the business commences or the previous year in which the extension of the undertaking is completed, or the new unit commences production or operation.



In order to claim deduction under section 35D of the ITA, the Company shall be required to furnish a statement in Form 3AF containing the particulars of expenditure specified under section 35D(2)(a) of the ITA to such income tax authority prior to one month before the due date of filing income tax return as per section 139(1) of the Act.

5) Tax on Capital Gains

Long-Term Capital Gains ('LTCG') arising from the transfer of long-term capital assets under section 112 / 112A of the ITA is taxable at the rate of 12.5% (without the benefit of indexation) w.e.f. 23 July 2024.

Further, it is worthwhile to note that tax shall be levied where such aggregate capital gains under section 112A of the ITA exceed INR 1,25,000 in a FY.

Also, gains arising from sale of units of Specified Mutual Funds or Market Linked debentures acquired on or after the 1 April 2023 are always considered as short-term irrespective of the period of holding in accordance with section 50AA of the ITA.

Further, Short-Term Capital Gain ('STCG') arising from the transfer of short-term capital assets (other than listed equity shares, unit of an equity-oriented fund or unit of business trust covered under section 111A of the ITA), shall be taxed at the normal tax rate of the Company. Further, the STCG on the sale of listed equity shares, unit of an equity-oriented fund or unit of a business trust covered under section 111A of the ITA shall be taxed at the rate of 20% with effect from 23 July 2024.

**B. Special direct tax benefits available to the Shareholders under the Income Tax Law.**

1) 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 shareholders, the benefit of deduction under Section 80M of the ITA would be available subject to fulfilment of certain conditions. Further, where the shareholders are resident individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, and every artificial juridical person, surcharge would be restricted to 15% in respect of dividend income. Further, as per section 115A of the ITA, dividend income earned by a non-resident (not being a company) or by a foreign company, shall be taxed at the rate of 20% subject to fulfilment of prescribed conditions under the ITA.

2) Tax on Capital Gains

As per section 112A of the ITA, LTCG arising from transfer of equity shares, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at the rate of 12.5% of such capital gains w.e.f. 23 July 2024 subject to payment of securities transaction tax on acquisition and transfer of equity shares and on the transfer of unit of an equity-oriented fund or a unit of a business trust under Chapter VII of Finance (No. 2) Act read with Notification No. 60/2018/F. No.370142/9/2017-TPL dated 1 October 2018.

However, no tax under the said section shall be levied where such capital gains do not exceed INR 1,25,000 during the year.



As per section 111A of the ITA, short-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust, shall be taxed at 20% w.e.f. 23 July 2024. This is subject to fulfilment of prescribed conditions under the Act.

Further, the surcharge on capital gains shall be restricted to 15%.

3) Special Provisions for Non-resident shareholders

As per section 115A of the ITA, dividend income earned by a non-resident (not being a company) or by a foreign company, shall be taxed at the rate of 20% (plus applicable surcharge and cess) subject to fulfilment of prescribed conditions under the ITA.

As per section 90(2) of the ITA, non-resident shareholders will be entitled to be governed by the beneficial provisions under the respective Double Taxation Avoidance Agreement ("DTAA"), if any, applicable to such non-residents. This is subject to fulfilment of conditions prescribed to avail treaty benefits.

Further, any income by way of capital gains or dividends accruing to non-residents, may be subject to withholding tax as per the provisions of the ITA or under the relevant DTAA, whichever is beneficial. However, where such non-residents have obtained a lower withholding tax certificate from the tax authorities, the withholding tax rate would be as per the said certificate. The non-resident shareholders may be able to avail credit for any taxes paid by them in India, subject to local laws of the country in which such shareholder is resident.

- 4) As per section 36(1)(xv) of the ITA, in case of shareholders having taxable securities transactions in the normal course of business, the STT paid can be deducted while computing income provided that such income is included under the head "Profits and gains of business or profession".

Notes:

- 1) These special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income Tax Law. Hence, the ability of the Company and its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which are based on the business imperatives, the Company and its shareholders may or may not choose to fulfil.
- 2) The statement covers 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.
- 3) The special direct 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 law, 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.
- 4) The statement has been prepared on the basis that the Company is in the process of getting shares of the Company listed on a recognized stock exchange in India and the Company will be issuing shares.



- 5) The statement is prepared based on the information available with the management of the Company and there is no assurance that:
- a) the company and its shareholders will continue to obtain these benefits in future;
  - b) the conditions prescribed for availing the benefits have been/ would be met with; and
  - c) the revenue authorities/courts will concur with the view expressed herein.
- 6) The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.
- 7) The above Statement of Special Tax Benefits sets out the provisions of law 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.
- 8) This Annexure covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefits under any other law.

For and on behalf of Board of Directors of  
**Neolite ZKW Lightings Limited (formerly known as Neolite ZKW Lightings Private Limited)**

  
**Arun Kumar Jain**  
Chief Financial Officer  
Designation



**Place: New Delhi**  
**Date: 23 December 2025**



## **Annexure B**

### **STATEMENT OF SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO NEOLITE ZKW LIGHTINGS LIMITED (the 'Company')**

Outlined below are 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, applicable State/ Union Territory Goods and Services Tax Act, 2017, the Customs Act, 1962, the Customs Tariff Act, 1975, including the relevant rules, notifications and circulars issued there under, the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023) (collectively referred as "Indirect tax Regulations"), presently in force in India.

#### **A. Special tax Benefits available to the Company**

1) **Benefits under the Central Goods and Services 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, "zero rated supply" means any of the following supplies of goods or services or both, namely:

- export of goods or services or both; or
- supply of goods or services or both for authorised operations to a Special Economic Zone developer or a Special Economic Zone unit

and these transactions attract a GST rate of zero per cent.

On account of zero rating of supplies, the supplier will be entitled to claim input tax credit in respect of input and input services used for such supplies and can seek refund of accumulated/unutilized ITC.

There are two mechanism for claiming refund of accumulated ITC against export. Either person can export under Bond/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 CGST 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 input and input services used in making zero rated supplies.

Currently, the Company is engaged in exports primarily with payment of Integrated Goods & Service Tax.

2) **Benefits of Duty Drawback Scheme ('DBK') under the Custom Act,1962**

Duty drawback is the export benefit given to rebate the custom duties charged on imported materials which are used for manufacture of exported goods.

3) **Benefits of Remission of Duties and Taxes on Exported Products Scheme (RoDTEP) under Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023)**

This scheme is notified with effect from 1 January 2021 with an object to neutralize the taxes and duties suffered on exported goods which are otherwise not remitted/refunded in any manner. The benefit is given as percentage of free on board or as prescribed by the Department of Commerce. The remission



of taxes is provided in the form of transferable duty credit electronic script and are subject to realization of sale proceeds within the period prescribed by Reserve Bank of India.

**4) Export Promotion Capital Goods (EPCG)**

The objective of the EPCG Scheme is to facilitate import of capital goods to be used for producing goods thereby enhancing India's manufacturing and export competitiveness. EPCG Scheme facilitates import of capital goods at zero customs duty subject to fulfilling an export obligation equivalent to 6 times of duties, taxes and cess saved on capital goods, to be fulfilled in 6 years from date of authorization. EPCG license holder is exempted from payment of whole of Basic Customs Duty, Additional Customs Duty and Special Additional Duty of Customs [in lieu of Value Added Tax/ local taxes (non-GST goods)], wherever applicable, subject to certain conditions. The Company is availing benefits under EPCG Scheme.

**B. Special tax Benefits available to the Shareholders of the Company**

- 1) 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 under Section 2(52) of the Central Goods and Services Tax Act, 2017 as well from the definition of Services as defined under Section 2(102) of the Central Goods and Services Tax Act, 2017.

- 2) Apart from above, the shareholders of the Company are not eligible to special tax benefits under the Indirect tax Regulations.

**Notes:**

- 1) This Annexure sets out only the special tax benefits available to the Company or its shareholders under the Indirect tax Regulations, presently in force in India.
- 2) The special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indirect tax Regulations. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.
- 3) This special tax benefits discussed in this Annexure is not exhaustive. It 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 Offer.
- 4) This annexure covers only Indirect tax Regulations benefits and does not cover any income tax law benefits or benefit under any other law.
- 5) The Statement has been prepared on the basis that the equity shares of the Company are to be listed on a recognized stock exchange in India and the Company will be issuing equity shares.
- 6) The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:



- The company or its shareholders will continue to obtain these benefits in future (if any benefit currently being availed);
  - The conditions prescribed for availing the benefits have been/ would be met with; and
  - The revenue authorities / courts will concur with the view expressed herein.
- 7) 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.
- 8) 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.

For and on behalf of Board of Directors of  
Neolite ZKW Lightings Limited (formerly known as Neolite ZKW Lightings Private Limited)

  
Arun Kumar Jain  
Chief Financial Officer  
Designation



Place: Delhi  
Date: 23 December 2025