KKC & Associates LLP
Chartered Accountants

Sunshine Tower, Level 19
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Jain V. & Co.
Chartered Accountants

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Statement of Tax Benefits

To,
The Board of Directors
Royal Chain Limited
(formerly known as "Royal Chain Private Limited)
101, 1st floor, Plot no. 127/129, Royal House
Shaikh Memon Street Zaveri Bazar Kalbadevi
Mumbai 400 002
Maharashtra, India

And

JM FINANCIAL LIMITED
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Maharashtra, India

360 ONE WAM LIMITED
360 ONE Centre, Kamala City
Senapati Bapat Marg
Lower Parel (West), Mumbai – 400013

(JM Financial Limited and 360 ONE WAM Limited referred to as the "**Book Running Lead Managers**" or "**BRLMs**")

Proposed initial public offering of equity shares of Rs. 10 each ("Equity Shares") by Royal Chain Limited (formerly known as Royal Chain Private Limited) (the "Company") through a fresh issue of Equity Shares ("Fresh Issue") and an Offer for sale of Equity Shares by existing shareholders of the Company ("Offer for sale") (the "Offer")

Dear Sirs,

This report is issued in accordance with the Engagement Letter dated July 10, 2026.

We, KKC & Associates LLP (formerly Khimji Kunverji & Co LLP) and Jain V. & Co., Chartered Accountants, the joint statutory auditors of the Company, enclose herewith the statement in Annexure II prepared by the management of the Company and stamped by us for identification purpose showing the current positions of 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 for inclusion in the Draft Red Herring Prospectus ("**DRHP**") in connection with the Offer.

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M/s. JAIN V. & CO. MUMBAI F.R.No. 116306W Chartered Accountants

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 are not exhaustive and 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 are the responsibility of the management of the Company. The attached Annexure II is for your information only 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 money based on this statement.

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. 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 Service 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 have been/would be met with.
iii) the revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed Annexure I and Annexure II 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 inclusion of this letter as a part of "*Material Contracts and Documents for Inspection*" in connection with the Offer, which will be available for inspection from date of the filing of the RHP until the Bid/Offer Closing Date.

We hereby give our consent to include this statement and the Annexure regarding the possible special tax benefits available to the Company and the Shareholders of the Company in the DRHP for the proposed Offer which the Company intends to submit to the Securities and Exchange Board of India, the Registrar of Companies, Maharashtra at Mumbai and the stock exchanges where the equity shares of the Company are proposed to be listed, provided that the below statement of limitation is included in the DRHP.

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M/s. JAIN V. & CO. MUMBAI F.R.No. 116306W Chartered Accountants

KKC & Associates LLP
Chartered Accountants

Jain V. & Co.
Chartered Accountants

Limitations:

Our views expressed in the statement enclosed 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. We will not be liable to the Company and any other person in respect of this Statement.

All capitalized terms not defined hereinabove shall have the same meaning as defined in DRHP.

Sincerely,

For **KKC & Associates LLP**
(formerly Khimji Kunverji & Co LLP)
Chartered Accountants
Firm Registration Number: 105146W/ W100621

Tejas Parikh
Partner
ICAI Membership No.: 123215
UDIN: 26123215NMIxRW6213
Place: Mumbai
Date: September 27, 2026

For **Jain V. & Co.**
Chartered Accountants
Firm Registration Number: 116306W

CA Virendra Jain
Partner
ICAI Membership No.: 100216
UDIN: 26100216CVNNFR5416
Place: Mumbai
Date: September 27, 2026

ROYAL CHAIN LIMITED

(FORMERLY KNOWN AS ROYAL CHAIN PRIVATE LIMITED & ROYAL CHAINS PRIVATE LIMITED)
GST : 27AAGCR6146R1ZL CIN : U74120MH2013PLC247888
Registered Office : 1st Floor, 127/129, Office No. 101/102,Royal House, Shaikh Memon Street,
Zaveri Bazaar, Kalbadevi,Mumbai - 400002. Maharashtra.

Annexure I

List of Direct and Indirect Tax Laws (together "the Tax Laws")

Sr No	Direct Tax/ Indirect Tax	Details of Tax Laws
1	Direct Tax	Income Tax Act, 2025
2	Indirect Tax	Central Goods and Services Tax Act, 2017
3	Indirect Tax	Integrated Goods and Services Tax Act, 2017
4	Indirect Tax	State Goods and Services Tax Act, 2017
5	Indirect Tax	Customs Act, 1962 and the Customs Tariff Act, 1975

ROYAL CHAIN LIMITED NAVI MUMBAI

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Annexure II

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO ROYAL CHAIN 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 currently in force in India. 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 Company and its shareholders can derive the possible tax benefits upon fulfilling such conditions laid down under the Tax Laws, which are based on business imperatives they face in the future, they may or may not choose to fulfill.

Under the Direct Tax Laws

Possible Special Tax Benefits available to the Company

1. **Corporate tax rate under section 200 of the Income Tax Act, 2025 (erstwhile Section 115BAA of the ITA, 1961).**

   Pursuant to enactment of Income Tax Act (ITA), 2025 w.e.f. April 1, 2026, section 115BAA of earlier Income Tax Act, 1961 has been replaced by Section 200 under Income Tax Act, 2025. Section 200 grants an option to a domestic company to be governed by the section from a particular tax year. If a company opts for Section 200 of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%), provided the total income of the company is computed without claiming certain specified deductions and specified brought forward losses and claiming depreciation determined in the prescribed manner.

- Upto A.Y. 2026-27, the Company has followed Section 115BAA of the Income Tax Act, 1961, and from Tax Year 2026-27 onwards the Company shall follow Section 200 of the Income Tax Act, 2025.

2. **Deduction in respect of additional employee cost incurred –Section 146 of the Income Tax Act,2025 (erstwhile Section 80JJAA of the ITA, 1961).**

Subject to the fulfilment of conditions specified under section 146 of the Income Tax Act, 2025 w.e.f. April 01, 2026, the Company is entitled to claim deduction 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 tax year, for three consecutive tax years including the tax year in which such employment is provided.

ROYAL CHAIN LIMITED NAVI MUMBAI

M/s. JAIN V. & CO. Chartered Accountants MUMBAI F.R.No. 103306W

However, the Company has not availed any benefit under the above section.

3. Deduction in respect of inter corporate dividends – Section 148 of the Income Tax Act, 2025 (erstwhile Section 80M of the ITA, 1961)

Upto 31st March 2020, company was liable to pay Dividend Distribution Tax ("DDT") on the dividend paid by it to a shareholder and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT has been abolished and dividend received by shareholders on or after 1st April, 2020 is liable to be taxed in their respective hands. The Company is required to deduct Tax at Source ("TDS") at applicable rate specified under the Act for both resident and non-resident shareholders. For non-resident shareholders, the rate specified under the Act would be subject to benefit available under applicable Double Taxation Avoidance Agreement (if any).

With respect to a resident corporate shareholder, section 148 of the ITA, 2025 (erstwhile section 80M of the ITA, 1961) has been inserted in the IT Act to remove the cascading effect of taxes on inter-corporate dividends during FY 2020-21 and thereafter. The section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, while computing the total income of such domestic company, a deduction of an amount equal to the income by way of dividends received from such other domestic company or foreign company or business trust shall be allowed. However, the amount of deduction shall not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under section 263 of ITA, 2025 (erstwhile section 139 of the ITA, 1961).

However, the Company has not availed any benefit under the above section

4. Deduction in respect of certain preliminary expenses – Section 44 of ITA, 2025 (erstwhile Section 35D of the ITA, 1961)

In accordance with and subject to the fulfilment of conditions as laid out under Section 44 of ITA, 2025 (erstwhile Section 35D of the ITA, 1961), The company may be entitled to amortize preliminary expenditure, being specified expenditure incurred in connection with the issue for public subscription or such expenditure as prescribed under section 44 of the ITA, 2025, 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 as

the case may be, the previous year in which the extension of the undertaking is completed, or the new unit commences production or operation.

The company shall be required to furnish a statement in Form No 5 as per ITA, 2025 (erstwhile Form 3AF of the ITA, 1961) containing the particulars of expenditure specified under section 44 of ITA, 2025 to such income tax authority prior to one month before the due date of filing income tax return as per section 263(1) of ITA, 2025.

However, the Company has not availed any benefit under the above section.

Possible Special Tax Benefits available to the Shareholders of the Company

1. Dividend income, earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction section 148 of ITA, 2025 would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, hindu undivided family, association of persons, body of individuals, whether incorporated or not, surcharge would be restricted to 15%, irrespective of the amount of dividend income.

2. As per Section 198 of ITA, 2025 (erstwhile section 112A of the ITA, 1961), long-term capital gains 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% (without indexation) subject to prescribed conditions. However, no tax under the said section shall be levied where such capital gains does not exceed INR 1,25,000 during the year

3. As per Section 196 of ITA, 2025 (erstwhile section 111A of the ITA, 1961), 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%. This is subject to fulfilment of prescribed conditions under Direct Tax Laws.

4. Where the gains arising on transfer of shares of the company are included in the business income of a shareholder and assessable under the head "Profits and Gains from Business or Profession" and such transfer is subjected to STT, then such STT shall be a deductible expense from the business income as per the provisions of Section 32(k) of ITA, 2025 (erstwhile section 36(1)(xv) of the ITA, 1961)

5. As per Section 159 of ITA, 2025 (erstwhile Section 90(2) of the IT Act,1961) non-resident shareholders will be eligible to take 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 dividend accruing to non-residents may be subject to withholding tax per the provisions of Direct Tax Laws or under the relevant DTAA, whichever is beneficial

to such non- residents. 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 can also avail credit of any taxes paid by them, subject to local laws of the country in which such a shareholder is resident.

6. Resident as well as non-resident buyers should independently evaluate their obligations to withhold tax on transactions involving sale of shares by the shareholders of the company in light of the provisions of section 393 of ITA, 2025(erstwhile section 194Q/ section 195 and other provisions of the ITA, 1961). Except for the above, the Shareholders of the Company are not entitled to any other special tax benefits under Direct Tax Laws.

Under the Indirect Tax Laws

Possible Special Tax Benefits available to the Company

The Company is not entitled to any possible special tax benefits under the Indirect Tax Laws.

Possible Special Tax Benefits available to the Shareholders of the Company

The Shareholders of the Company are not entitled to any possible special tax benefits under the Indirect Tax Law.

Note:

a. The above is as per the current Tax Laws.
b. 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 potential tax consequences of the purchase, ownership and disposal of shares of the Company.
c. The possible special tax benefits are subject to several conditions and eligibility criteria which need to be examined for precise tax implications.
d. 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.
e. This Statement 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/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

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f. 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.

For **Royal Chain Limited**

Shivendra Singh

Name: **Shivendra Singh**
Designation: **Chief Financial Officer**

Date: September 23 2026
Place: Mumbai

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