

# Shah Gupta & Co.

## Chartered Accountants

### Certificate on Statement of Tax Benefits of Material Subsidiary/Joint Venture in United Arab Emirates

Date: July 23, 2025

To,

**The Board of Directors  
JSW Cement Limited**  
JSW Centre,  
Bandra Kurla Complex, Bandra  
(East),  
Mumbai – 400051  
Maharashtra, India.

**JM Financial Limited**  
7<sup>th</sup> Floor, Energy,  
Appasaheb Marathe Marg,  
Prabhadevi,  
Mumbai - 400 025  
Maharashtra, India.

**Axis Capital Limited**  
1st Floor, Axis House  
Pandurang Budhkar Marg  
Mumbai - 400 025  
Maharashtra, India

**Citigroup Global Markets India  
Private Limited**  
1202, 12<sup>th</sup> Floor, First International  
Financial Centre  
G-Block, C54 & 55,  
Bandra Kurla Complex Bandra (East),  
Mumbai 400 098  
Maharashtra, India

**DAM Capital Advisors Limited,**  
Altimus 2202, Level 22  
Pandurang Budhkar Marg  
Worli, Mumbai 400018  
Maharashtra, India

**Goldman Sachs (India)  
Securities Private Limited**  
9th and 10th Floor, Ascent-  
Worli  
Sudam Kal Ahire Marg  
Worli, Mumbai 400 025  
Maharashtra, India

**Jefferies India Private Limited**  
16th Floor, Express Towers,  
Nariman Point,  
Mumbai-400 021  
Maharashtra, India

**Kotak Mahindra Capital Company  
Limited**  
1<sup>st</sup> Floor, 27 BKC  
Plot No. 27, 'G' Block  
Bandra Kurla Complex  
Bandra (E),  
Mumbai – 400051  
Maharashtra, India.

**SBI Capital Markets Limited**  
Unit No. 1501, 15th floor, A & B  
Wing, Parinee Crescenzo  
Building, Plot C- 38, G Block,  
Bandra Kurla Complex  
Bandra (East),  
Mumbai-400051,  
Maharashtra, India

(The aforementioned book running lead managers and any other book running lead managers appointed by the Company are collectively referred to as the "Book Running Lead Managers" or the "BRLMs")

Dear Sir/Madam,

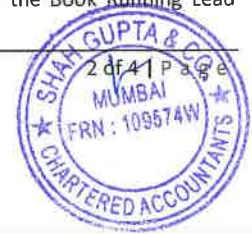
**RE: Certificate on possible special tax benefits ("the Statement") available to JSW Cement FZC in United Arab Emirates (the "Statement")**

**Sub: Proposed initial public offering of equity shares of face value of ₹ 10 each (the "Equity Shares") of JSW Cement Limited ("the Company" and such offer, the "Offer")**

1. This certificate is issued in accordance with the terms of our engagement letter dated March 01, 2024.
2. We, Shah Gupta & Co., Chartered Accountants, have been informed that the Company has filed the Draft Red Herring Prospectus with respect to the Offer (the "DRHP") with the Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited (collectively, the "Stock Exchanges") in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") and proposes to file (i) Red Herring Prospectus with SEBI, the Stock Exchanges and the Registrar of Companies, Maharashtra at Mumbai ("Registrar of Companies" and such Red Herring Prospectus, the "RHP"); (ii) Prospectus with SEBI, the Stock Exchanges and the Registrar of Companies (the "Prospectus"); and (iii) any other documents or materials to be issued in relation to the Offer (collectively with the DRHP, RHP and Prospectus, the "Offer Documents").



3. We hereby confirm the enclosed statement in the **Annexure A** prepared and issued by Material Subsidiary/Joint Venture ("Entity") in United Arab Emirates ("UAE"), which provides the possible special tax benefits under direct tax and indirect taxation laws presently in force in UAE which includes Federal Decree-Law No. (8) of 2017 on Value Added Tax, the Common Customs Law for the Arab States of the Gulf (GCC States) and Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses) (collectively the "**Taxation Laws**"), the amendments, rules, regulations, circulars and notifications issued thereon, as applicable, available to the Material Subsidiary/Joint Venture ("Entity") identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Several of these benefits are dependent on the Entity, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Entity to derive the special tax benefits is dependent upon its fulfilling such conditions, which based on business imperatives the Entity face in the future, the Entity may or may not choose to fulfil.
4. The benefits discussed in the enclosed annexure cover the possible special tax benefits available to the Entity (although may not be exhaustive) and the preparation of the contents stated is the responsibility of the Entity's management. While the term 'special tax benefits' has not been defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('**SEBI ICDR Regulations**'), for the purpose of this statement, possible special tax benefits which could be available dependent on the Entity fulfilling the conditions prescribed under the taxation laws are 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 UAE, except for those specifically mentioned in the statement, have not been examined and covered by this Statement.
5. 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 taxation 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, 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.
6. We do not express any opinion or provide any assurance as to whether:
  - a. Entity 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 views expressed herein.
7. 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. We have relied upon the information and documents of the Entity 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 arising from the supply of incorrect or incomplete information of the Company.
8. We have conducted our examination of the information provided by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
9. 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.
10. This Statement is addressed to Board of Directors and issued at specific request of the Company. The enclosed Annexure to this Statement is intended solely for your information and for inclusion in the draft red herring prospectus, red herring prospectus, and the prospectus and any other material in connection with the Offer. We hereby consent to the submission of this Statement as may be necessary to SEBI, the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"), the relevant stock exchanges, any other regulatory authority and/or for the records to be maintained by the Book Running Lead Managers and in accordance with applicable law.



11. We confirm that we will immediately communicate any changes in writing in the above information to the Book Running Lead Managers based on written intimation received from the management until the date when the Equity Shares allotted and transferred in the Offer commence trading on the relevant stock exchanges. In the absence of any such communication from the management, Book Running Lead Managers and the legal counsels, each to the Company and the Book Running Lead Managers, can assume that there is no change to the above information.
12. All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Offer Documents.

**Restriction on Use**

13. This certificate may be relied upon by the Company, the Book Running Lead Managers, and the legal counsels appointed by the Company and the Book Running Lead Managers in relation to the Offer. We hereby consent to extracts of, or reference to, this certificate being used in Offer Documents. We also consent to the submission of this certificate as may be necessary, SEBI, Stock Exchanges, Registrar of Companies and to any regulatory authority and/or for the records to be maintained by the Book Running Lead Managers in connection with the Offer and in accordance with applicable law.
14. This certificate has been prepared at the request of the Company solely for the purpose of the Offer and it should not be used by any other person or for any other purpose.

Yours faithfully

For **SHAH GUPTA & Co.,**  
Chartered Accountants

Firm Registration No.: 109574W


**Vipul K Choksi**

Partner

M. No. 037606

Unique Document Identification Number (UDIN) for this document is: 25037606BMMBVY6217

Place: Mumbai

Date: July 23, 2025

## Annexure A

### STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE MATERIAL SUBSIDIARY / JOINT VENTURE OF JSW CEMENT LIMITED UNDER THE APPLICABLE DIRECT AND INDIRECT TAXATION LAWS IN UAE

#### A. Indirect Taxation Laws:

##### 1. Value added taxes (UAE VAT) under Federal Decree-Law No. (8) of 2017:

As per Article 50 of the UAE VAT Decree Law, a designated zone will be treated as being outside for the state. The Cabinet Decision No. (59) of 2017 and (35) of 2018 has stated that Fujairah Free Zone is a designated zone for the purpose of VAT. The Federal Tax Authority states that the export of goods by JSW Cement FZC to any country outside of UAE would be construed to be out of scope from a UAE VAT perspective. Local Sales/GCC Sales is made within Designated zone based on ex-works incoterms, are out of scope sales under UAE VAT.

##### 2. The Common Customs Law for the Arab States of the Gulf (GCC States):

As per Article 78 of The Common Customs Law for the Arab States of the Gulf (GCC Sates), all foreign goods of whatever kind or origin maybe brought into the free zones and taken out from them to outside the country or to other free zones without being subject to customs duties or taxes. As JSW Cement FZC is based out of Fujairah Free Zone, the said tax benefit is applicable to it.

#### B. Direct Taxation Laws:

JSW FZC is engaged in the business of extraction of limestone, manufacturing of clinker from the extracted limestone, and also the distribution of limestone by purchasing it from the open market. The company operates its extraction and manufacturing activities from the Fujairah Free Zone Authority. Therefore, taking into consideration the aforesaid facts, JSW FZC can avail the UAE CT benefits either by considering itself as an exempt person subject to fulfilment of the conditions as outlined in Articles 7 & 8 of UAE CT law or Qualified Free Zone Person (QFZP) subject to fulfilment of the conditions as outlined in Article 18 of the UAE CT Law.

##### **Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses.**

As per Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ("CT law"), a person conducting an Extractive Business or a Non-Extractive Natural Resource Business shall be exempt from UAE CT on income derived from such business subject to conditions set out in Article 7 and 8 respectively of the UAE CT law. Company's business activity of Manufacturing of Clinker at Free Zone, Extraction of Limestone for sales, Procurement of limestone from free zone for sales for FY 24-25 constitutes extractive and non-extractive natural resource business as defined under UAE CT law and hence is exempt from UAE CT Law. However, the Company is required to submit a notification to Ministry of Finance (MoF) in the form and manner agreed upon with the relevant Local Government authority. At present MOF is not accepting exemption application for FY 24-25 and hence a practical challenge exists in obtaining the said exemption approval from the MoF in the absence of specific timeline. As an alternative to foregoing the benefit of exemption from UAE CT law, the Company has decided to opt for Zero Tax regime (QFZP)

As per Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ("CT law"), a QFZP as defined in Article 18 of the UAE CT law shall be taxed Corporate Tax at 0% Corporate Tax rate on its "Qualifying Income" subject to applicable rules and regulations of CT law. The first corporate tax year is April 2024 to March 2025. Determination of "Qualifying Income" has been further clarified and defined by cabinet decision no-100. Any other non-qualifying income will be subject to 0% Corporate Tax(CT) subjected to De Minimis threshold. Company's business activity of Manufacturing of Clinker at Free Zone, Extraction of Limestone for sales, Procurement of limestone from free zone for sales for FY 24-25 constitutes Income from Qualifying Activity and hence is subject to 0% UAE CT.

