

STATEMENT OF SPECIAL TAX BENEFITS

Statement of possible special tax benefits available to the Company and its Shareholders

To,

The Board of Directors

REGAL ENTERTAINMENT AND CONSULTANTS LIMITED

419D Fourth Floor Horniman Circle Chambers (Poddar Chambers)
Syed Abdullah Brelvi Marg,
Fort Mumbai, Maharashtra 400001 India

Dear Sirs,

Subject: Statement of Possible Special Tax Benefits available to Regal Entertainment & Consultants Limited (“the Company”) and its shareholders of the Company under the direct and indirect tax laws.

We have been requested by the Company to issue a report on the special tax benefits available to the Company and its shareholders, for inclusion in the Draft Letter of Offer/Letter of Offer in connection with the proposed rights issue of equity shares of the Company (the “Issue”). The Statement has been prepared by the management of the Company and stamped by us solely for identification purposes.

The Statement sets out the current position of special tax benefits available to the Company and its shareholders under the provisions of the Income-tax Act, 1961 (“IT Act”), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the relevant State Goods and Services Tax Acts (“SGST”), read with applicable rules, circulars, and notifications (“GST law”), the Customs Act, 1962, the Customs Tariff Act, 1975 (“Customs law”), and the Foreign Trade Policy 2023 (“FTP”) (collectively referred to as “Indirect Tax Laws”), as amended by the Finance Act, 2025. These provisions are applicable for the assessment year 2026-27, relevant to the financial year 2025-26, and the Statement is annexed herewith for inclusion in the Letter of Offer.

The availability of these possible special tax benefits is contingent upon the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the applicable tax laws. The ability to derive such benefits will depend on future business imperatives, and accordingly, the Company and its shareholders may or may not choose to fulfil the prescribed conditions. Certain tax benefits are optional and may be exercised at the discretion of the Company or its shareholders, subject to compliance with the applicable provisions.

The benefits discussed in the Statement are neither exhaustive nor conclusive. The contents are based on information and explanations provided by the Company. This Statement is intended solely to provide general information to guide investors and is not a substitute for professional tax advice. Given the individual nature of tax consequences and the evolving nature of tax laws, each investor is advised to consult their own tax advisor with respect to the specific implications arising from participation in the Issue. We are not advising investors whether to invest or refrain from investing based on this Statement.

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

- Whether the Company or its shareholders will continue to obtain these benefits in the future;
- Whether the conditions prescribed for availing such benefits have been or will be met;
- Whether the revenue authorities or courts will concur with the views expressed herein.

This Statement is intended solely for inclusion in the Letter of Offer in connection with the rights issue of equity



Branches :

Maharashtra

Bihar

Rajasthan

shares of the Company and shall not be used, referred to, or distributed for any other purpose without our prior written consent, provided that the limitation statement below is included in the Offer Letter.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities or courts will concur with these views. Our views are based on the existing provisions of the tax laws and their 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 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 the Company or any other person in respect of this Statement, except as per applicable law.

For and on behalf of

Rajesh Raj Gupta & Associates LLP

Chartered Accountants

Firm Registration Number 026338N/N500357

CA Manoj Kumar

(Partner)

Membership Number: 529409

UDIN: 26521409VIOSZT8950



Date: 4th February 2026

Place: New Delhi

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO REGAL ENTERTAINMENT AND CONSULTANTS LIMITED (“THE COMPANY AND ITS SHAREHOLDERS”)

The information provided below sets out, in a summary manner, the possible special direct and indirect tax benefits available to the Company and its shareholders under the current tax laws in force in India. This is not a complete analysis or listing of all potential tax consequences of the subscription, ownership, or disposal of equity shares. Several of these benefits are contingent upon the Company and its shareholders fulfilling the conditions prescribed under the relevant tax laws. The ability to derive such benefits will depend on future business imperatives, and accordingly, the Company and its shareholders may or may not choose to fulfil the prescribed conditions. Certain tax benefits may also be optional, at the discretion of the Company or its shareholders, subject to compliance with applicable provisions. This overview is neither exhaustive nor comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax advisors with respect to the tax implications of investing in the shares, particularly in view of recently enacted legislation that may lack direct legal precedent or may be subject to differing interpretations.

The tax benefits stated below are as per the Income-tax Act, 1961 (“IT Act”), as amended from time to time, and applicable for the financial year 2025-26 relevant to the assessment year 2026-27, and under the Indirect Tax Laws as amended from time to time and applicable for the financial year 2025-26.

I. Under the IT Act

1. Special Tax Benefits Available to the Company

a) **Lower Corporate Tax Rate** under Section 115BAA Section 115BAA, inserted by the Taxation Laws (Amendment) Act, 2019 (“Amendment Act 2019”), grants domestic companies the option to compute corporate tax at a reduced rate of 25.17% (22% plus surcharge of 10% and cess of 4%) from FY 2019-20, provided such companies do not avail specified exemptions/incentives (e.g., deductions under sections 10AA, 32(1)(iia), 33ABA, 35(2AB), 80-IA, etc.).

Companies opting for this regime are not required to pay Minimum Alternate Tax (“MAT”) under section 115JB. CBDT Circular No. 29/2019 dated October 2, 2019 clarified that MAT provisions under section 115JB do not apply where a company exercises the option under section 115BAA, and consequently, MAT credit under section 115JAA is not available.

b) Deductions from Gross Total Income

- Section 80JJAA – Deduction in respect of employment of new employees Subject to prescribed conditions, the Company is entitled to claim a deduction equal to 30% of additional employee cost (relating to specified categories of employees) incurred in the course of business in the previous year, for three assessment years including the year in which such employment is provided.
- Section 80M – Deduction in respect of inter-corporate dividends Section 80M, inserted by the Finance Act, 2020 with effect from April 1, 2020, provides for a deduction from gross total income of a domestic company equal to the dividends received from another domestic company, a foreign company, or a business trust, to the extent such dividends do not exceed the amount of dividend distributed by it on or before one month prior to the due date of filing its tax return under section 139(1).

Where the Company receives such dividends during a financial year and distributes dividends to its shareholders before the aforesaid date, it shall be entitled to the deduction under section 80M.

2. Special Tax Benefits Available to Shareholders

There are no special tax benefits available to shareholders other than resident corporate shareholders. For resident corporate shareholders, section 80M (inserted by the Finance Act, 2020) removes the cascading effect of taxes on inter-corporate dividends. Where the gross total income of a domestic company includes dividends from



another domestic company, a foreign company, or a business trust, a deduction is allowed equal to the amount of such dividends received, to the extent of dividends distributed by it on or before one month prior to the due date of filing its return under section 139(1).

Notes under the IT Act

- a) This statement sets out provisions of tax laws in a summary manner only and is not a complete analysis of all potential tax consequences of purchase, ownership, or disposal of shares.
- b) It covers only certain special tax benefits under the IT Act and does not cover benefits under other laws in force in India. It also does not discuss tax consequences outside India.
- c) The statement reflects current direct tax laws relevant for AY 2026-27. Several benefits are contingent upon fulfilment of prescribed conditions.
- d) For non-residents, tax rates and consequences will be subject to benefits available under applicable Double Taxation Avoidance Agreements (DTAAs).
- e) If the Company opts for the concessional tax regime under section 115BAA, it will not be eligible for deductions under sections 10AA, 32(1)(iia), 32AD, 33AB, 33ABA, 35(2AB), 35AD, 35CCC, 35CCD, or any provisions of Chapter VI-A other than sections 80JAA and 80M. Losses or depreciation attributable to such deductions cannot be carried forward or set off.
- f) This statement is intended only to provide general information and is not a substitute for professional tax advice. Investors should consult their own advisors regarding specific tax consequences.

II. Under the Indirect Tax Laws

1. Special Indirect Tax Benefits Available to the Company

The Company is not entitled to any special tax benefits under indirect tax laws.

2. Special Indirect Tax Benefits Available to Shareholders

Shareholders of the Company are not entitled to any special tax benefits under indirect tax laws.

Notes under Indirect Tax Laws

- 1. This statement is intended only to provide general information and is not a substitute for professional tax advice. Investors should consult their own advisors regarding specific tax consequences of investing in the shares of the Company.
- 2. No assurance is given that revenue authorities or courts will concur with the views expressed herein. The views are based on existing provisions of law and their interpretation, which are subject to change. We do not assume responsibility to update the views consequent to such changes.

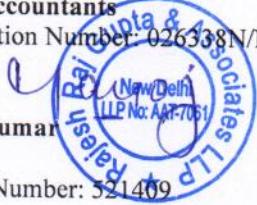
Yours faithfully,

For and on behalf of

Rajesh Raj Gupta & Associates LLP

Chartered Accountants

Firm Registration Number: 026338N/N500357



CA Manoj Kumar

(Partner)

Membership Number: 521409

Date: 4th February 2026

Place: New Delhi