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**Walker ChandioK & Co LLP**

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**STATEMENT OF SPECIAL DIRECT TAX BENEFITS**

To

The Board of Directors

**Sula Vineyards Limited**

(Formerly Sula Vineyards Private Limited)

901, Hubtown Solaris,

N S Phadke Marg,

Andheri (East),

Mumbai – 400 069.

Maharashtra, India.

**Proposed issue of equity shares (“Offer”) by Sula Vineyards Limited (Formerly Sula Vineyards Private Limited) (the “Issuer”/ “Company”).**

1. This report is issued in accordance with the terms of our engagement letter dated 20 May 2022.
2. The accompanying Statement of Possible Special Direct Tax Benefits as available to the Company, its shareholders and its material subsidiary (hereinafter referred to as “the Statement”) under the Income-tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2022, (hereinafter referred to as the “Indian Income Tax Regulations”), has been prepared by the management of the Company for inclusion in the Red Herring Prospectus and Prospectus, (collectively referred as the “Offer Documents”) in connection with the proposed Offer, which we have initialed for identification purposes.

**Management’s Responsibility**

3. The preparation of this Statement as of the date of our report which is to be included in the Offer Documents is the responsibility of the management of the Company and has been approved by the Board of Directors of the Company at its meeting held on 25 November 2022 for the purpose set out in paragraph 11 below. The management's responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and presentation of the Statement, applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

## Auditor's Responsibilities

4. Our work has been carried out in accordance with the Standards on Auditing, the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI").
5. Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (the 'SEBI ICDR Regulations') and the Companies Act, 2013 ('Act'), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special direct tax benefits available as on 25 November 2022 to the Company, its shareholders and the material subsidiary of the Company under Indian Income Tax Regulations as at the date of our report.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements issued by the ICAI.
7. It is imperative to note that we have relied upon a representation of the Management of the Company and the information/ documents received from the material subsidiary with respect to the special direct tax benefits in their respective jurisdictions.
8. Our work is performed solely to assist the Management in meeting their responsibilities in relation to compliance with the Act and the SEBI ICDR Regulations in connection with the Offer.

## Inherent Limitations

9. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

Several of the benefits mentioned in the accompanying Statement are dependent on the Company or its shareholders or its material subsidiary fulfilling the conditions prescribed under the relevant provisions of the respective tax laws. Hence, the ability of the Company or its shareholders or its material subsidiary to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying Statement are not exhaustive and do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

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. Given the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her tax consultant for the specific tax implications arising out of their participation in the proposed Offer.

Further, we give no assurance that the revenue authorities/ courts will concur with our views expressed herein. Our views are based on the existing provisions of Indian Income Tax Regulations, 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.

## Opinion

10. In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special direct tax benefits available as on the date of signing of this report, to the Company, its shareholders and its material subsidiary, under the Indian Income Tax Regulations as at the date of our report.

Considering the matter referred to in paragraph 9 above, we are unable to express any opinion or provide any assurance as to whether:

- (i) the Company or its shareholders or its material subsidiary will continue to obtain the benefits as per the Statement in future; or
- (ii) the conditions prescribed for availing the benefits as per the Statement have been/ would be met with.

### **Restriction on Use**

11. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Offer Documents, prepared in connection with the Offer to be filed by the Company with the Securities and Exchange Board of India and the concerned stock exchanges.

### **For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No. 001076N/N500013

### **Huned Contractor**

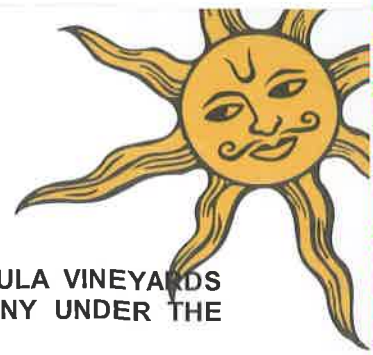
Partner

Membership No.: 041456

**UDIN: 22041456BEDLBW5793**

**Place:** Mumbai

**Date:** 25 November 2022



**STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO SULA VINEYARDS LIMITED, ITS MATERIAL SUBSIDIARY AND SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT TAX LAWS IN INDIA**

**A. Direct Taxation**

Benefits available to Sula Vineyards Limited ("the Company") including its Material Subsidiary – viz Artisan Spirits Private Limited; and the Shareholders of the Company under the Income-tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2022 (hereinafter referred to as "Indian Income Tax Regulations"):

**1 Special Tax Benefits available to the Company**

1.1) As per Section 115BAA of the Act, a company has an option to pay income tax in respect of its total income at a concessional tax rate of 22% (plus applicable surcharge and cess) subject to satisfaction of certain conditions with effect from Financial Year 2019-20 (i.e. the Assessment Year 2020-21). Such option once exercised shall apply to subsequent assessment years.

In such a case, the company will not be allowed to claim any of the following deductions/ exemptions under the Act:

- (i) Deduction under Section 10AA of the Act (deduction for units in Special Economic Zone);
- (ii) Deduction under clause (iia) of sub-section (1) of Section 32 of the Act (Additional depreciation);
- (iii) Deduction under Section 32AD, Section 33AB, or Section 33ABA of the Act (Investment allowance in backward areas, Investment deposit account, site restoration fund);
- (iv) Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of Section 35 of the Act (Expenditure on scientific research);
- (v) Deduction under Section 35AD or Section 35CCC of the Act (Deduction for specified business, agricultural extension project);
- (vi) Deduction under Section 35CCD of the Act (Expenditure on skill development);
- (vii) Deduction under any provisions of Chapter VI-A other than of Section 80JJAA or Section 80M of the Act;
- (viii) Deduction under Section 80LA of the Act 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 Act;
- (ix) No set off of any loss brought forward or unabsorbed depreciation from any earlier assessment year(s), if such loss or depreciation is attributable to any of the deductions referred from clause (i) to (viii) above; and
- (x) No set off of any loss or allowance for unabsorbed depreciation deemed so under Section 72A of the Act, if such loss or depreciation is attributable to any of the deductions referred from clause (i) to (viii) above.

Additionally, the provisions of Section 115JB of the Act i.e. MAT shall not apply to such a company on exercise of the option under Section 115BAA of the Act, as specified under sub-section (5A) of Section 115JB of the Act. It is also required to submit the prescribed form with the Income-tax authorities within the specified due date for filing Income-tax Return.

In this regard, from Assessment Year 2020-21 (relevant to Financial Year 2019-20) onwards the Company has opted to be covered under the provisions of Section 115BAA of the Act and has completed the prescribed filings. Thus, it would be eligible for a reduced tax rate of 22% (plus applicable surcharge and cess) subject to fulfilment of above conditions.

**Sula Vineyards Limited**

(formerly known as Sula Vineyards Private Limited)

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- 1.2) Under Section 80JJAA of the Act, the Company is entitled to a deduction of an amount equal to thirty per cent in respect of additional employee cost (relating to specified category of employees) incurred during the previous year. Such deduction is available for a period of three assessment years effective from the year in which such employment is provided. The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in sub-section (2) of Section 80JJAA of the Act. In addition, the Company is required to submit the prescribed form with the Income-tax authorities within the specified due date.
- 1.3) As per Section 80M of the Act, dividend received by the Company from any other domestic company, or a foreign company shall be eligible for deduction while computing its total income for the relevant year. The amount of such deduction would be restricted to the amount of dividend distributed by the Company upto one month prior to the date of filing of its Income-tax return for the relevant year. Where the Company has investments in Indian subsidiaries and other companies, if any, it can avail of the above-mentioned benefit under Section 80M of the Act.
- 1.4) As per the provisions of Section 35D of the Act, the Company may be entitled to amortize preliminary expenditure, being specific expenditure incurred in connection with the issue for public subscription or being other expenditure as prescribed under this Section. This is subject to the specified limit under the Act i.e. 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.

## **2 Special Tax Benefits available to the Material Subsidiary of the Company**

### **M/s. Artisan Spirits Private Limited (“ASPL”)**

- 2.1) As per Section 115BAA, a company has an option to opt for a reduced tax rate of 22% (plus applicable surcharge and cess) subject to fulfilment of the conditions as specified in point 1.1 above.

In this regard, from Assessment Year 2022-23 (relevant to Financial Year 2021-22) onwards ASPL has opted to be covered under the provisions of Section 115BAA of the Act and has completed the prescribed filings. Thus, it is eligible for a reduced tax rate of 22% (plus applicable surcharge and cess) subject to fulfilment of conditions mentioned in point 1.1 above.

- 2.2) Under Section 80JJAA of the Act, ASPL is entitled to a deduction of an amount equal to thirty per cent in respect of additional employee cost (relating to specified category of employees) incurred during the previous year. Such deduction is available for a period of three assessment years effective from the year in which such employment is provided. The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in sub-section (2) of Section 80JJAA of the Act. In addition, ASPL is required to submit the prescribed form with the Income-tax authorities within the specified due date.
- 2.3) As per the provisions of Section 80M of the Act, dividend received by ASPL from any other domestic companies or foreign companies shall be eligible for deduction while computing its total income for the relevant year. The amount of such deduction would be restricted to the amount of dividend distributed by ASPL upto one month prior to due date of filing of its Income-tax return for the relevant year. Where ASPL has investments in Indian subsidiary and other companies, if any, it may avail the above-mentioned benefit under Section 80M of the Act.



**3 Special Tax Benefits available to the Shareholders of the Company**

- 3.1) Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in the case of a domestic corporate shareholder, benefit of deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed in 1.3 above).

In case of the shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, the surcharge would be restricted to 15%, irrespective of the amount of dividend.

Further, the shareholders would be entitled to take credit of the Tax Deducted at Source, if any, by the Company against the taxes payable by them.

- 3.2) As per Section 112A of the Act, long-term capital gains arising from the transfer of an equity share on which securities transaction tax ("STT") is paid at the time of acquisition and sale, shall be taxed at the rate of 10% (without indexation) of such capital gains. This is subject to fulfilment of prescribed additional conditions as per Notification No. 60/2018/F. No.370142/9/2017-TPL dated 01 October 2018. It is worthwhile to note that tax shall be levied where such aggregate capital gains exceed INR 1,00,000/- in a year.

Further, the Finance Act 2022 restricts surcharge to 15% in respect of long-term capital gain arising from any capital asset.

- 3.3) As per Section 90(2) of the Act, 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 the Act or under the relevant DTAA, whichever is beneficial to such non-resident. However, where such non-resident has 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 shareholder is resident.

**Notes:**

1. These special tax benefits are dependent on the Company or its material subsidiary or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indian Income Tax Regulation. Hence, the ability of the Company or its shareholders or its material subsidiary to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its material subsidiary or its shareholders may or may not choose to fulfil.
2. The special 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. Given the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her tax consultant for the specific tax implications arising out of their participation in the issue.
3. The Statement has been prepared on the basis that the shares of the Company are proposed to be listed on a recognized stock exchange in India.



4. 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 or its material subsidiary will continue to obtain these benefits in future;
  - 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.
5. The above views are based on the existing provisions of laws and its interpretation, which are subject to change from time to time.

**For and on behalf of Sula Vineyards Limited (Formerly Sula Vineyards Private Limited)**



**Chaitanya Rathi**  
Chief Operating Officer



**Bittu Varghese**  
Chief Financial Officer

Place: Mumbai  
Date: 25 November 2022

Place: Mumbai  
Date: 25 November 2022

## Statement of Possible Special Indirect Tax Benefits

To,  
The Board of Directors  
**Sula Vineyards Limited**  
(Formerly Sula Vineyards Private Limited)  
901, Hubtown Solaris,  
N.S. Phadke Marg,  
Andheri (East),  
Mumbai – 400 069,  
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## Proposed issue of equity shares (“Offer”) by Sula Vineyards Limited (formerly Sula Vineyards Private Limited) (the “Issuer”/” Company”).

1. This report is issued in accordance with the terms of our engagement letter dated 20 May 2022.
2. The accompanying Statement of Possible Special Indirect Tax Benefits available to the Company, its Shareholders and material subsidiary (hereinafter referred to as “the Statement”) under Central Goods and Services Tax Act, 2017 (read with Central Goods and Services Tax Rules, circulars, notifications), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), Maharashtra Prohibition Act, 1949, Wine Industry Promotion Subsidy Scheme, 2009, Maharashtra Value Added Tax Act, 2002, Karnataka Value Added Tax Act, 2003, The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Excise duty, Custom duty, hereinafter referred to as the “Indian Indirect Tax Regulations” has been prepared by the management of the Company for inclusion in the Red Herring Prospectus and Prospectus, (collectively referred as the ‘Offer Documents’) in connection with the proposed Offer, which we have initialed for identification purposes.

## Management’s Responsibility

3. The preparation of this Statement as of the date of our report which is to be included in the Offer Documents is the responsibility of the management of the Company and has been approved by the Board of Directors of the Company at its meeting held on 25 November 2022 for the purpose set out in paragraph 11 below. The management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.



## Auditor's Responsibility

4. Our work has been carried out in accordance with Standards on Auditing, the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the 'ICAI').
5. Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (the 'SEBI ICDR Regulations') and the Companies Act 2013 ('Act'), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special indirect tax benefits available as of 25 November 2022 to the Company, the shareholders and material subsidiary of the Company, in accordance with the Income Tax Regulations as at the date of our report.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements issued by the ICAI.
7. It is imperative to note that we have relied upon a representation of the Management of the Company and the information/ documents received from the material subsidiary with respect to the special indirect tax benefits in their respective jurisdictions.
8. Our work is performed solely to assist the Management in meeting their responsibilities in relation to compliance with the Act and the SEBI ICDR Regulations in connection with the Offering.

## Inherent Limitations

9. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

Several of the benefits mentioned in the accompanying Statement are dependent on the Company or its shareholders or material subsidiaries fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders or material subsidiaries to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying statement are not exhaustive.

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 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 Issue.

Further, we give no assurance that the Revenue Authorities/ Courts will concur with our views expressed herein. 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.

## Opinion

10. In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special indirect tax benefits available as on the date of signing of this report to the Company and its shareholders and material subsidiary, in accordance with the Indian Indirect Tax Regulations as at the date of our report.

Considering the matter referred to in paragraph 9 above, we are unable to express any opinion or provide any assurance as to whether:

- (i) The Company or its shareholders or material subsidiary will continue to obtain the benefits per the Statement in future; or
- (ii) The conditions prescribed for availing the benefits per the Statement have been/ would be met with.

## Restriction on Use

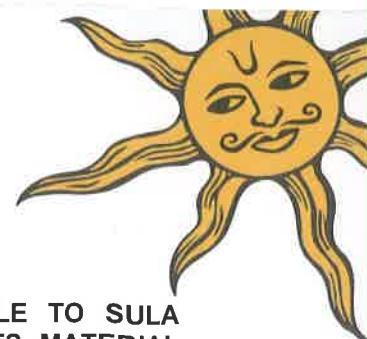
11. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Offer Documents, prepared in connection with the Offering to be filed by the Company with the Securities and Exchange Board of India and the concerned stock exchanges.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No. 001076N/N500013

**Huned Contractor**  
Partner  
Membership No.: 41456

UDIN: 22041456BEDFUG8889

Place: Mumbai  
Date: 25 November 2022



**STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO SULA VINEYARDS LIMITED (FORMERLY SULA VINEYARDS PRIVATE LIMITED), ITS MATERIAL SUBSIDIARY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA**

Outlined below are the Possible Special Indirect Tax benefits available to Sula Vineyards Limited (the "Company"), its material subsidiary and its Shareholders under the applicable Indirect tax laws.

**A. Special tax benefits available to the Company under the Indirect Tax Regulations**

**1. Excise duty exemption under the Maharashtra Prohibition Act, 1949**

Manufacture of wine is leviable to excise duty by the respective State. Until 31 December 2021, the manufacture of wine without addition of alcohol or blending of imported wine was exempt from excise duty. With effect from 1 January 2022, the Government of Maharashtra has exempted excise duty in excess on INR 10 per litre.

The exemption is provided for a period of 5 years until 31 December 2026 to wine manufacturers holding licence in Form BRL granted under the Maharashtra Manufacture of Beer and Wine Rules, 1966.

**2. VAT subsidy under Wine Industry Promotion Subsidy Scheme, 2009 (WIPS)**

To encourage production of wine within the state, the Maharashtra State Government announced the Wine Industry Promotion Subsidy in August 2009. The subsidy is provided towards intra-state sale of wine made from grapes produced within the state without addition of alcohol and without blending of wine purchased from other vendors. The subsidy is provided by way of refund of 80 percent of VAT paid on the sale of wine within the state.

**3. VAT exemption under the Karnataka Value Added Tax Act, 2003**

Intra-state sale of wine is leviable to VAT by the respective State. The Government of Karnataka has exempted VAT on the sale of liquor including beer, fenny liqueur and wine. The exemption has been provided to intra-state sale of wine with effect from 1 April 2017.

**4. Benefits under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20)**

**Export Promotion Capital Goods (EPCG)**

The objective of the EPCG Scheme is to facilitate import of capital goods for producing quality goods and services and enhancing India's manufacturing competitiveness. EPCG Scheme facilitates import of capital goods for producing quality goods and services at zero customs duty.

Import under EPCG Scheme shall be subject to a specific export obligation equivalent to 6 times of duties, taxes and cess saved on capital goods, to be fulfilled in 6 years reckoned from date of issue of authorization.

EPCG license holder is exempted from payment of whole of Basic Customs Duty, Additional Customs Duty and Special Additional Duty In lieu of Value Added Tax/local taxes (non-GST goods), Integrated Goods and Services Tax and Compensation Cess, wherever applicable, subject to certain conditions.

**Sula Vineyards Limited**

(formerly known as Sula Vineyards Private Limited)

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www.sulavineyards.com



**B. Special tax benefits available to the material subsidiary of the Company under the Indirect Tax Regulations**

Below are the possible Special Indirect Tax benefits available to Artisan Spirits Private Limited, a material subsidiary of the Company.

**1. Excise duty exemption under the Maharashtra Prohibition Act, 1949**

Manufacture of wine is leviable to excise duty by the respective State. Until 31 December 2021, the manufacture of wine without addition of alcohol or blending of imported wine was exempt from excise duty. With effect from 1 January 2022, the Government of Maharashtra has exempted excise duty in excess on INR 10 per litre.

The exemption is provided for a period of 5 years until 31 December 2026 to wine manufacturers holding licence in Form BRL granted under the Maharashtra Manufacture of Beer and Wine Rules, 1966.

**2. VAT subsidy under Wine Industry Promotion Subsidy Scheme, 2009 (WIPS)**

To encourage production of wine within the state, the Maharashtra State Government announced the Wine Industry Promotion Subsidy in August 2009. The subsidy is provided in relation to intra-state sale of wine made from grapes produced within the state without addition of alcohol and without blending of wine purchased from other vendors. The subsidy is provided by way of refund of 80 percent of VAT paid on the sale of wine within the state.

**C. Possible special indirect tax benefits for shareholders of Sula Vineyards Limited (Formerly Sula Vineyards Private Limited)**

Shareholders of the Company are not eligible to special indirect tax benefits under the provisions of the the Central Goods and Services Act 2017 (read with Central Goods and Services Tax Rules, circulars, notifications), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications) and Special Economic Zones Act, 2005.

**Notes:**

1. These special indirect tax benefits are dependent on the Company, its material subsidiary or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indirect Tax Regulations. Hence, the ability of the Company, its material subsidiary or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company, its material subsidiary or its shareholders may or may not choose to fulfil.
2. The special indirect 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 a 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.
3. The Statement has been prepared on the basis that the shares of the Company are proposed to be listed on a recognized stock exchange in India.

**SULA**  
VINEYARDS

4. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:
- i. The Company, its material subsidiary or its shareholders will continue to obtain these benefits in future;
  - ii. The conditions prescribed for availing the benefits have been/ would be met with; and
  - iii. The revenue authorities / courts will concur with the view expressed herein.
5. The above views are basis the provisions of law, their interpretation and applicability as on date, which may be subject to change from time to time.

For and on behalf of **Sula Vineyards Limited (Formerly Sula Vineyards Private Limited)**

  
  
**Chaitanya Rathi**  
Chief Operating Officer

  
  
**Bittu Varghese**  
Chief Financial Officer

Place: Mumbai  
Date: 25 November 2022