



Vasanth & Co.,

Chartered Accountants

Partners:

J. Vasanth Kumar, B.Com., F.C.A., L.L.B.,

N. Amarnath, B.Com., F.C.A.,

D.R. Vijanth Kumar, B.Com., F.C.A., Reg. Valuer (SFA)

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Date: September 20, 2025

To

The Board of Directors

Avana Electrosystems Limited

No. 8, Plot No.35, 1st Main Road,

2nd Phase Peenya Industrial Area, Nelagadaranahalli Village,

Peenya Small Industries, Bangalore – 560058.

AND

Indcap Advisors Private Limited

Suite 1201, 12th Floor, Aurora Waterfront,

GN Block, Sector V, Bidhannagar– 700 091,

West Bengal, India.

(Indcap Advisors Private Limited referred to as the “Book Running Lead Manager”)

Dear Sir,

Sub: Proposed initial public offering of equity shares of face value Rs. 10 each (“Equity Shares”) by Avana Electrosystems Limited (“Company”) (referred to as the “Offer”).

We hereby confirm that the enclosed Annexure 1 and 2 (together “the **Annexures**”), prepared by the Company, provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (“the Act”) as amended by the Finance Act 2024, circular and notifications issued from time to time, i.e. applicable for the Financial Year 2024-25 relevant to the assessment year 2025-26, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 (“GST Act”), as amended by the Finance Act 2024 circular and notifications issued from time to time, i.e., applicable for the Financial Year 2024-25 relevant to the assessment year 2025-26, presently in force in India (together, the “Tax Laws”). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

1. The benefits discussed in the enclosed annexure are not exhaustive. 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. We are neither suggesting nor advising the investor to invest money based on this statement.
2. We do not express any opinion or provide any assurance as to whether:
 - i) the Company or its shareholders will continue to obtain these benefits in future; or
 - ii) the conditions prescribed for availing the benefits have been/would be met with.
 - iii) the revenue authorities/courts will concur with the views expressed herein

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.

No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein.



4. No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
5. We shall not be liable to 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 any other person in respect of this statement.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

We hereby give consent to include this statement of tax benefits in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus and submission of this certificate as may be necessary, to the Stock Exchange/ SEBI/ any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Offer and in accordance with applicable law.

This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Prospectus /Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Draft Red Herring Prospectus.

For Vasanth & Co.,
Chartered Accountants

ICAI Firm Registration No.: 0092045

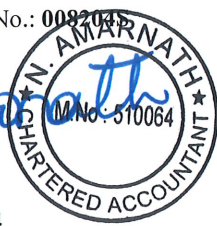

N. Amarnath
Partner

Membership No: 510064

Place: Bangalore

Date: 20-09-2025

UDIN: 25510064BMIBGW2025



Annexure-1

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares 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 benefits, which an investor can avail.

A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the Act.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

Notes:

1. *We have not considered the general tax benefits available to the Company, or shareholders of the Company.*
2. *The above statement covers relevant direct and indirect tax law benefits and does not cover or benefit under any other law.*
3. *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 the existing and potential tax consequences of the purchase, ownership and disposal of Equity Shares.*
4. *This Statement does not discuss any tax consequences in any country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income –tax consequences that apply to them.*
5. *We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus.*

All the above benefits are as per the current tax laws and will be available to the all the shareholder. The above statement covers indirect tax law benefits and direct tax law benefits or benefits under any other law.



ANNEXURE 2

TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Goods and Service Tax (GST) Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares 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 benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION

A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the Goods and Service Tax.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

The Shareholders of the Company are not entitled to any special tax benefits under the Good and Service Tax.

Note:

We hereby give our consent to include our above-referenced opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus.

