

Statement of possible special tax benefits

Date: September 13, 2025

To,

The Board of Directors
iValue Infosolutions Limited
(Formerly known as iValue Infosolutions Private Limited)
No. 903/1/1, 19th Main Road,
4th Sector, HSR Layout,
Bengaluru, 560 102,
Karnataka, India (the “Company”)

Dear Sir/Madam

Re: Proposed initial public offering of equity shares of face value of ₹ 2 each (the “Equity Shares”) of iValue Infosolutions Limited (“the Company” and such offer, the “Offer”)

We, Manian & Rao, Chartered Accountants, an independent firm of chartered accountants, appointed by the Company in terms of our engagement letter dated July 29, 2024 in relation to the Offer, hereby confirm the enclosed statement in **Annexure A** prepared and issued by the Company, which provides the possible special tax benefits under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961 (the “IT Act”), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively the “**Taxation Laws**”), the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2026-27 relevant to the financial year 2025-26 (as amended by the Finance (No. 2) Bill, 2024), available to the Company, its shareholders. Several of these benefits are dependent on the Company and its shareholders, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company and its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives, the Company and its shareholders face in the future, the Company and its shareholders may or may not choose to fulfil.

The benefits stated in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that 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 distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

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

- i) The Company and its shareholders will continue to obtain these benefits in future;
- 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 stated in **Annexure A** 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 Company 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.

This statement is addressed to Board of Directors of the Company and is being issued at the 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, the prospectus and any other material in connection with the Offer, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

For Manian & Rao, Chartered Accountants

ICAI Firm Registration No: 001983S

PARESH DAGA
Digitally signed by PARESH
DAGA
Date: 2025.09.13 15:53:35
+05'30'

Paresh Daga

Partner

Membership No.: 211468

UDIN: 25211468BMLADC5046

Annexure A

Statement of possible special tax benefits available to iValue Infosolutions Limited (formerly known as iValue Infosolutions Private Limited) ("Company") and its shareholders

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Taxation Laws ("Possible Special Tax Benefits"). These Possible Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Taxation Laws. Hence, the ability of the Company and its shareholders to derive the Possible Special Tax Benefits is dependent upon them fulfilling such conditions, which are based on business imperatives they face in the future, basis which they may or may not choose to fulfil such conditions.

1. Special tax benefits available to the Group

i) Direct taxes:

a. Lower corporate tax rate under section 115BAA of the IT Act

Section 115BAA has been inserted in the IT Act by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") with effect from 1 April 2019 (FY 2019-2020). Section 115BAA of the IT Act grants an option to a domestic company to be governed by the section from a particular assessment year ('A Y'). If a company opts for section 115BAA of the IT Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). Section 115BAA of the IT Act further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax (MAT) on their 'book profits' under section 115JB of the IT Act.

However, such a company will no longer be eligible to avail specified exemptions / incentives under the IT Act and will also need to comply with the other conditions specified in section 115BAA of the IT Act. Also, if a company opts for section 115BAA of the IT Act, the tax credit (under section 115JAA of the IT Act), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

The Company has decided to opt for the lower corporate tax rate of 25.168% (prescribed under section 115BAA of the IT Act).

b. Deduction under section 80JJAA of the IT Act:

As per section 80JJAA of the IT Act, the Company is entitled to claim a deduction of an amount equal to thirty per cent of additional employee cost incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided, subject to the fulfilment of prescribed conditions therein.

The deduction under section 80JJAA is available even if the Company opts for concessional tax rate under section 115BAA of the IT Act.

c. Deduction in respect of inter-corporate dividends – Section 80M of the IT Act

With respect to a shareholder which is a domestic company as defined in section 2(22A), and section 80M of the IT Act inter-alia 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, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does 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 sub-section (1) of section 139 of the IT Act.

ii) Indirect taxes:

There are no special indirect tax benefits available to the Company.

2. Special tax benefits available to the shareholders of the Company

i) Direct taxes:

A. The following is the taxation on transfer of shares which take place before July 23, 2024:

- a. As per Section 112A of the IT Act, 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 10% (without indexation) of such capital gains subject to payment of securities transaction tax on acquisition and transfer of equity shares and on the transfer of unit of an equity-oriented fund or a unit of a business trust under Chapter VII of Finance (No.2) Act read with Notification No. 60/2018/F. No.370142/9/2017-TPL dated 1 October 2018. However, no tax under the said section shall be levied where such capital gains does not exceed INR 1,00,000 in a financial year.
- b. As per Section 111A of the IT Act, 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 15% plus applicable surcharge and cess subject to fulfilment of prescribed conditions under the Act.

B. The following is the taxation on transfer of shares which take place on or after July 23, 2024:

- a. As per Section 112A of the IT Act, 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 12.5% (without indexation) of such capital gains subject to payment of securities transaction tax on acquisition and transfer of equity shares and on the transfer of unit of an equity-oriented fund or a unit of a business trust under Chapter VII of Finance (No.2) Act read with Notification No. 60/2018/F. No.370142/9/2017-TPL dated 1 October 2018. However, no tax under the said section shall be levied where such capital gains does not exceed INR 1,25,000 in a financial year.
- b. As per Section 111A of the IT Act, 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% plus applicable surcharge and cess subject to fulfilment of prescribed conditions under the Act.

C. The maximum surcharge rate for Section 112A and Section 111A of the IT Act is restricted to 15%.

D. Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the IT Act 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 and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend.

ii) Indirect taxes:

There are no special indirect tax benefits available to the Shareholders of the Company

Note:

1. The above is as per the current Taxation Laws.
2. The above statement of Possible Special Tax Benefits sets out the provisions of the Taxation 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 of the Company.
3. This statement of Possible Special Tax Benefits does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company.
4. The Possible Special Tax Benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.



iValue Infosolutions Limited

(Formerly iValue Infosolutions Private Limited)

No. 903/1/1, 19th Main Road, 4th Sector,

H.S.R. Layout, Bangalore – 560102, Karnataka, India

CIN: U72200KA2008PLC045995 | GST: 29AABCI8601B1ZW

www.ivaluegroup.com | info@ivalue.co.in

TEL : 080 - 2222 1143

5. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement ("DTAA"), if any, between India and the country in which the non-resident has fiscal domicile.
6. The tax benefits discussed in this statement are not exhaustive and are only intended to provide general information to the investors and hence, 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 consequences of his/her investment in the shares of the Company.
7. 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. We do not assume responsibility to update the views consequent to such changes.
8. The Company does not have a material subsidiary in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Yours Sincerely,

For and on behalf of

iValue Infosolutions Limited

(Formerly known as iValue Infosolutions Private Limited)

Swaroop MVN

Chief Financial Officer

Date: 13/09/2025

Place: Bengaluru