



TIMSI & ASSOCIATES

Chartered Accountants

REGD. OFF: A-125, Sector - 48, NOIDA (U P) - 201301

CONTACT: +91-7838583808

EMAIL ID: ca1timsisharma@gmail.com

STATEMENT OF TAX BENEFITS

Date: 12/09/2025

To,
The Board of Directors
Earkart Limited
Shop No 8P, Street No 6,
Vasundhara Enclave, Delhi-11009

Sarthi Capital Advisors Private Limited
401, 4TH Floor, Manek Plaza, 167, Vidyanagari Marg,
Kalina, Santacruz (E), Mumbai-400098

(Sarthi Capital Advisors Private Limited referred to as the “Lead Manager”)

Dear Sir(s):

Sub: Proposed initial public offering of equity shares of ₹ 10 each (the “Equity Shares”) of Earkart Limited(the “Company” and such offering, the “Issue”)

We report that the enclosed statement in **Annexure A**, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Act, 1961 (‘Act’), as amended by the Finance Act, 2019 i.e. applicable for the FY 2021-22 (AY 2022-23), FY 2022-23 (AY 2023-24), FY 2023-24 (AY 2024-25) and FY 2024-25 (AY 2025-26) and other direct tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the Earkart Limited of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

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 Issue. We are neither suggesting nor advising the investor to invest money based on this statement.

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.

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.

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 Prospectus, the Prospectus and submission of this certificate as may be necessary, to the Stock Exchange(s)/ SEBI/ any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Issue and in accordance with applicable law.

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



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For Timsi and Associates

Chartered Accountants

ICAI Firm Registration No.: 020141C

TIMSI & ASSOCIATES
F.N. 020141C
Timsi
Chartered Accountants
M. No. 535006

Timsi Sharma

Proprietor

Membership No: **535006**

Place: NOIDA

Date: 12.09.2025

UDIN: **25535006BMSCQJ4469**



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Annexure-A

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 Shareholder under the Income Tax Act 1961 (read with the rules, circulars and notifications issued in connection thereto), as amended by the Finance Act, 2021 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 UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

The company is incorporated under the Companies Act, 2013 on 14.04.2021 with the main object to assemble, manufacture, sell, trade, provide after sales services (including user training) and undertake research and development of affordable hearing aids, MSIED Kits, TLM Kits & other rehabilitation products, including their components, accessories and parts thereof. Accordingly, the company has been officially registered as a startup under the applicable government scheme with the Department for promotion of Industry and Internal Trade in the development and improvement of products in Health care and Lifesciences vide certificate dated 04.05.2021 being valid from 14.04.2021 to 13.04.2031. Subsequently, the company has been registered as an "Eligible Startup" by the Inter-Ministerial Board and has been issued certificate of eligible business under section 80-IAC of the Income tax Act, 1961 having Certificate Number DIPP79260/IMB for availing Tax Exemption under Section 80-IAC of the Income Tax Act.

As per the provision subject to conditions laid down under section 80-IAC of the Income tax Act, 1961 a deduction of an amount equal to one hundred per cent of the profits and gains derived from eligible business is allowed in computing the total income of the assessee for three consecutive assessment years. The company had already claimed the deduction of an amount equal to one hundred per cent of the profits and gains derived from manufacturing business for the preceding three years from FY 21-22 to FY 23-24 under section 80-IAC of the Income tax Act, 1961. Furthermore, the assessment proceedings, in accordance with the procedure under Section 144B of the Income Tax Act, 1961, have also been successfully completed for the initial year of the deduction claimed.

Except as mentioned herein, there are no possible special tax benefits available to the company under Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962, the Customs Tariff Act, 1975, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 and Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, Union Territory Goods and Services Tax Rules, State Goods and Services Tax Rules, 2017 and notifications issued under these Acts and Rules and the foreign trade policy.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

The shareholders are not entitled to any special tax benefits under the provisions of the Income Tax Act, 1961.



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Notes:

- 1. We have not considered the general tax benefits available to the Company, or shareholders of the Company.*
- 2. The above is as per the Tax Laws as on date.*
- 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.*