



NOTICE

Notice is hereby given that, the **15th Annual General Meeting** of the Members of the company will be held at the registered office of the Company at **No. 8, Plot No.35, 1st Main Road, 2nd Phase Peenya Industrial Area, Nelagadaranahalli Village, Peenya Small Industries, Bangalore, Bangalore North, Karnataka, India, 560058**, on **Monday, 29th September, 2025 at 11.00 A.M.** to transact the following business:

Ordinary Resolution:

- 1. To consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2025 and the reports of the Board of Directors and Auditors thereon:**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution

"RESOLVED THAT the audited financial statement of the Company including **Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement of the Company** for the Financial Year ended as on **31st March, 2025**, together with the Schedules and Notes attached thereto, along with the reports thereon and Board's Report as circulated to the Members and laid before the Meeting, be and are hereby received, considered and adopted."

- 2. Appointment of Director in the place of retiring Director:**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of section 152 of the Companies Act, 2013 and rules made thereunder (including any statutory modification and re-enactment thereof) and other applicable provisions, if any of the Companies Act, 2013, **Mr. Kondahalli Nagaraj Sreenath (DIN: 03099421)** who is liable to retire by



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(An ISO 9001-2015 Company)

rotation and being eligible has offered himself for appointment, be and is hereby re-appointed as an Executive Director of the Company, liable to retire by rotation."

By Order of the Board for
Avana Electrosystems Limited



Place: Bengaluru
Date: 03/09/2025

Kondahalli Nagaraj Sreenath
Director
DIN: 03099421
Address: No.676 Dhikshitharagalli, Magdi
Taluk Magadi Town Ramanagar - 562120

Note:

- A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and a proxy need not be a member of the company.
- Proxies in order to be effective must be received at the Company's Registered Office not later than 48 hours before the time fixed for the meeting. A proxy form is enclosed with this notice.
- A person can act as proxy on behalf of the members exceeding fifty and holding in the aggregate not more than ten percent of the total paid up share capital of the Company. In case a proxy is proposed to be appointed by the member holding not more than ten percent of the total paid up share capital of the Company carrying voting rights, then such proxy shall not act as proxy for any other member. Proxies submitted on behalf of limited companies, societies etc. must be supported by appropriate resolutions / authority, as applicable. A proxy holder needs to show his identity at the time of attending the meeting



FORM NO. MGT - 11
PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN: U31400KA2010PLC054508

Name of the Company: Avana Electrosystems Limited

Registered Office: No. 8, Plot No.35, 1st Main Road, 2nd Phase Peenya Industrial Area, Nelagadarannahalli Village, Peenya Small Industries, Bangalore, Bangalore North, Karnataka, India, 560058

Name of the Members	
Registered address	
E-mail ID	
Folio No. /DP ID & Client ID*	

*Applicable in case shares are held in electronic form.

I/We, being the holder(s) of _____ shares of Avana Electrosystems Limited, hereby appoint:

Name of the Members	
Address	
E-mail ID	
	Signature: _____

or failing him/her

Name of the Members	
Address	
E-mail ID	



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	Signature: _____
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or failing him/her

Name of the Members	
Address	
E-mail ID	
	Signature: _____

as my / our proxy to attend and vote (on Poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on **Monday, 29th September, 2025 at 11.00 A.M IST, at No. 8, Plot No.35, 1st Main Road, 2nd Phase Peenya Industrial Area, Nelagadaranahalli Village, Peenya Small Industries, Bangalore, Bangalore North, Karnataka, India, 560058** and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Resolution No.	Description	For	Against
Ordinary Business.			
1	To consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2025 and the reports of the Board of Directors and Auditors thereon		
2	Appointment of Director in the place of retiring Director		

Signed this ____ day of ____ 2025

Signature of Member

Signature of first proxy holder

Signature of second proxy holder

Affix
Revenue
Stamp



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Signature of third proxy holder

Note:

1. This form in order to be effective must be duly stamped, completed and signed and must be deposited at the registered office of the Company.
2. Please put a 'X' in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Proxy need not be a member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013 and Secretarial Standards - 2 issued by Institute of Company Secretaries of India, a person can act as Proxy on behalf of not more than 50 (fifty) members and holding in aggregate not more than 10 % (ten percent) of the total share capital of the Company. Members holding more than 10 % (ten percent) of the total share capital of the Company may appoint a single person as Proxy, who shall not act as Proxy for any other Member.
4. The Proxyholder shall prove his identity at the time of attending the meeting.

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ATTENDANCE SLIP

Annual General Meeting of the Company of F.Y. 2024-25 to be held on **Monday, 29th September, 2025 at 11.00 A.M IST, at No. 8, Plot No.35, 1st Main Road, 2nd Phase Peenya Industrial Area, Nelagadarannahalli Village, Peenya Small Industries, Bangalore, Bangalore North, Karnataka, India, 560058:**

Folio No. / DP ID & Client ID*	
No. of shares held	

Applicable in case shares are held in electronic form.

I/We certify that I/We am/are registered Member /proxy for the registered Member of the Company.

I/We hereby record my presence at the Annual General Meeting of the Company to be held **on Monday, 29th September, 2025 at 11.00 A.M IST, at No. 8, Plot No.35, 1st Main Road, 2nd Phase Peenya Industrial Area, Nelagadarannahalli Village, Peenya Small Industries, Bangalore, Bangalore North, Karnataka, India, 560058.**

Member's / Authorized Representative

Note: Please fill in the attendance slip and hand it over at the entrance of the meeting hall. Joint member(s) may obtain additional attendance slip at the venue of the meeting.

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DIRECTORS REPORT

To,
The Members,
Avana Electrosystems Limited

Your Directors have pleasure in submitting their 15th Annual Report and Audited Accounts for the year ended on March 31, 2025.

1. Disclosure of financial summary or highlights

(Amount in INR Lakhs)

Particulars	Financial Year ended	
	March 31, 2025	March 31, 2024
Revenue from Operation	6,148.58	5,298.77
Other Income	144.81	26.80
Total Income	6,293.39	5,325.57
Operating expenditure	4,987.87	4,702.93
Profit (Loss) Before Tax and Depreciation	1,305.51	622.64
Depreciation	75.63	35.00
Profit (Loss) Before Tax	1,229.88	587.64
Current Tax	325.70	163.95
Current tax expense relating to prior years	(0.82)	-
Deferred Tax	(2.24)	19.67
Net Profit(Loss) After Tax	847.08	404.02
Basic and diluted earnings (Amount in actual)	4.85	2.31



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Revenue from operations during the year under review is Rs.6,148.58/- (In lakhs) compared to previous year's revenue of Rs.5,298.77/- (In lakhs). Profit after tax is Rs.847.08/- (In Lakhs) when compared to last year profit of Rs.404.02/- (In Lakhs).

2. State of Affairs

The Company is engaged in the business of manufacturing and dealers in various types of **electronic products, switchgear products, circuit breakers, relay, control and protection panels, electric distribution boards, electronic meters, transformers, raw materials, assemblies, spares, accessories, consumables, disposables, tools, test equipment's, measuring equipment's, telecommunication products, satellite products, information technology products, substation, automation products, SCADA, energy saving equipment's, battery charges, current transformers, power transformers, etc.**

There has been no change in the nature of business of the Company during the financial year ended **March 31, 2025**.

Shareholders in their meeting held on **9th December, 2024** resolved to convert the Private Company into Public Company by filing INC-27 form. The Registrar of Companies issued a fresh Certificate of Incorporation on **17th December, 2024**.

3. Change in Capital Structure

During the year, the Authorised Share Capital of the Company was increased from Rs. 90,00,000/- divided into 9,00,000 Equity Shares of Rs.10/- each to Rs.25,00,00,000/- divided into 2,50,00,000 Equity Shares of ₹10/- each. However, no fresh issue of shares was made during the year under review.

4. Amounts Transferred to Reserves

The Board of the company has not transferred any amount to its reserves:

(a)	Brief description	NIL
(b)	Amount (in INR)	NIL

5. Dividend

With the view to conserve the resources of company the directors are not recommending any dividend.

(a)	Brief description	NIL
(b)	Amount (in INR)	NIL

6. Details of material changes and commitment occurred during the period between the end of FY and the date of report, affecting financial position of company

The following material changes and commitments have occurred between the end of the financial year to which the financial statements relate and the date of this report:

1. **16,67,53,444** Bonus shares are allotted to existing shareholders at a ratio of 1:21 by Capitalizing Reserves and Surplus of the Company.
2. The Company has planned to take the approval of the shareholders to seek In-principal approval of stock exchange for listing of its equity shares at National Stock Exchange as Small and Medium Enterprises.
3. The Board of Directors in their meeting held on **2nd September, 2025** resolved to update its registered office address at the Ministry of Corporate Affairs website to **No. 8, Plot No.35, 1st Main Road, 2nd Phase Peenya Industrial Area, Nelagadaranahalli Village, Peenya Small Industries, Bangalore, Bangalore North, Karnataka, India, 560058.**

7. Web address

As provided under Section 134(3)(a) and 92(3) of the Companies Act 2013, the annual return will be placed on the Company's website at <https://avanaelectrosystems.com/>

8. Management

The Composition of the Board is duly constituted.

The Company has a professional Board with a optimum combination of Executive & Non-Executive Directors who bring the right mix of knowledge, skills, and expertise and help the Company in implementing the best Corporate Governance practices.

In the meeting of Board of Directors held on **11th November, 2024**, **Mr. Panish Anantharamaiah** having DIN: **00288112** was re-designated as **Managing Director of the Company**, at the same meeting **Mr. Gururaj Dambal**, having DIN: **0309940** was re-designated as **Whole-time Director**, and **Mr. Vinod Kumar Sampatkumar** having DIN: **03115822** was re-designated as **Whole-time Director** for a period of 5 years and on **11th November, 2024**.

Mrs. Rajesh Dakshayani was appointed as **Independent women director** at the Shareholders meeting held on **11th January, 2024**. However due to personal pre-occupations, Mrs. Rajesh Dakshayani submitted her resignation on **23rd July, 2025**, with effect from closing of business hours of **1st August, 2025**.

The following changes occurred in the composition of Board of Directors after **31st March, 2025** till the date of this report:

Mr. Nama Sreeramaiah Kishore having DIN: **11222235**, **Mrs. Sheela Arvind** having DIN: **01020390** and **Mrs. Shital Darak Mandhana** having DIN: **07043909** were appointed as Independent Directors of the Company for a period of 5 years from **4th August, 2025**.

Board of Directors in their meeting held on **29th August, 2025**, approved formation of the following Board committees with members as detailed below:

AUDIT COMMITTEE

Name of the Director	Status in the Committee	Nature of Directorship
Kishore N S	Chairman	Independent Director
Sheela Arvind	Member	Independent Director
Kondahalli Nagaraj Sreenath	Member	Executive Director

NOMINATION AND REMUNERATION COMMITTEE

Name of the Director	Status in the Committee	Nature of Directorship
Sheela Arvind	Chairperson	Independent Director
Shital D Mandhana	Member	Independent Director
Kishore N S	Member	Independent Director

STAKEHOLDERS RELATIONSHIP COMMITTEE

Name of the Director	Status in the Committee	Nature of Directorship
Shital D Mandhana	Chairman	Independent Director
Sheela Arvind	Member	Independent Director
Panish Anantharamaiah	Member	Executive Director

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Name of the Director	Status in the Committee	Nature of Directorship
Kishore N S	Chairman	Independent Director
Gururaj Dambal	Member	Executive Director
Vinod Kumar Sampat Kumar	Member	Executive Director

Apart from the above there is no change in the composition of Board of Directors, as on 31st March, 2025, the Board of Directors consists of the following individuals:

Sl.no	Name of Director	Designation
1.	Panish Anantharamaiah	Managing Director
2.	Gururaj Dambal	Whole-time director
3.	Vinod Kumar Sampatkumar	Whole-time director
4.	Kondahalli Nagaraj Sreenath	Director & CFO
5.	Rajesh Dakshayani	Independent Director

Mr. Kondahalli Nagaraj Sreenath was designated as the **Chief Financial Officer** through Board resolution dated **11th November, 2025** owing to his rich experience in the handling

finance in the Electrical Industry, However due to personal problems, he rendered resignation as the CFO with effect from 29thAugust, 2025.

Mr. Ravikumar S, a qualified Chartered Accountant with over **9 years** of experience in audit, accounting and taxation, having worked with reputed organizations, was appointed as the Chief Financial Officer of the Company with effect from **1st September, 2025**.

Mrs. Amrutha Naveen, University Topper in Master of Science and Gold Medalist in Nuclear Chemistry from Andhra University, and a qualified Company Secretary since 2019, having served with various firms as Compliance Manager and Company Secretary, was appointed as the Company Secretary and Compliance Officer of the Company with effect from **29th August, 2025**.

9. Number of meetings of the Board

The Board meets at regular intervals to discuss and decide various business strategies and routine operations. The Board of Directors met 8 times during the year 2024-25. The intervening gap between the meetings was within the period of 120 days prescribed under the Companies Act, 2013.

(i) *Number of Board Meetings held: 08

Sl. No.	Date of meeting (DD/MM/YYYY)	Total Number of directors as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
1	24/04/2024	04	04	100%
2	5/6/2024	04	04	100%
3	19/08/2024	04	04	100%
4	18/10/2024	04	04	100%
5	11/11/2024	04	04	100%
6	5/12/2024	05	05	100%
7	29/03/2025	05	05	100%
8	31/03/2025	05	05	100%

(ii) Number of Committee Meetings held: NA

Sl. No.	Date of meeting (DD/MM/YYYY)	Total Number of directors as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
1				

10. Declaration by Independent Directors

The Company has received declarations from the Independent Directors confirming that they meet with the criteria of independence as prescribed under Section 149(6) of the Act.

There has been no change in the circumstances affecting their status as Independent Directors of the Company and in the opinion of the Board, the Independent Directors fulfil the conditions specified under the Act and the Listing Regulations and are Independent of the management.

11. Disclosure for Companies covered under section 178(1) on Director's appointment and remuneration including other matters provided under section 178(3)

As on 31st March, 2025, the Company need not form a Nomination and Remuneration committee and Stake holders relationship committee in accordance with section 178 (1) and 178(5) of the Companies Act, read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, accordingly disclosures under section 178(1) on Director's appointment and remuneration including other matters provided under section 178(3) are not applicable.

12. Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) In the preparation of the annual accounts for the financial year ended March 31, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The Company being a Private Limited Company, Internal financial control policies are not applicable. However, the Company is having adequate controls.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. Auditors

At the Annual General Meeting held on 30th September, 2024 M/s. Vasanth & Co., Chartered Accountants, a peer reviewed auditor firm (Firm Registration No.008204S) were

appointed as Statutory Auditors of the Company to hold office till the conclusion of Annual General Meeting to be held in the financial year 2028-2029. Auditors confirm that they do not suffer from any disqualification to act as statutory auditors of the Company.

14. Reply to Auditors' remarks, if any

The observation made in the Auditors' Report are self-explanatory and, therefore, do not call for any further explanations under Section 134 of the Companies Act, 2013.

Sl. No.	Auditor's qualifications, reservations or adverse remarks or disclaimer in the auditors' report	Directors' comments on qualifications, reservations or adverse remarks or disclaimer of the auditors as per Board's report
1.	No adverse remarks	Not applicable

15. Secretarial Audit

The Company does not fall under any of the clauses of Sub-rule (1) of Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 mentioned in section 204 of the Companies Act, 2013, accordingly, the Company is not required to appoint Secretarial Auditors, hence obtaining Secretarial Audit report in form MR-3 not applicable.

16. Fraud Reporting

There is no details required to be furnished in respect of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government.

17. Orders passed by Court / Tribunal

There is no significant and material orders are passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

18. Particulars of Contracts entered into by the Company

During the year under review, the Company has entered to contracts with related parties. The transactions are done at arm's length value in the ordinary course of business. Since there is no RPT transaction exceeding limits specified under section 188 of the Companies Act, 2013 read with rule Companies (Meetings of Board and its Powers) Rules, 2014, no Board or Shareholder's approval was taken.

19. Details of loan, guarantee, investment or security is given by the company as per section 186:

- a. Whether any loan, guarantee is given by the company or securities of any other body corporate purchased: No
- b. Whether the Company falls in the category provided under section 186(11) - No
- c. Are there any reportable transactions on which section 186 applies(whether or not threshold exceeds 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium
- d. Brief details as to why transaction is not reportable

The Company has not provided any loan or provided guarantee or did investment or given security as per section 186 of the Companies Act, 2013.

Table for enquiring details:

Number of transactions:

NIL

Block-1		
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or registration number		
Name of the Party		
Type of person (Individual / Entity)		
Nature of transaction		
In case of loan, rate of interest would be enquired		
Brief on the transaction		
Amount (in INR)		
Date of passing Board resolution (DD/MM/YYYY)		
Whether the threshold of 60% of paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account breached	Yes/No	Yes/No

Whether the transaction falls under the purview of proviso to Section 186(3) and Company is not required to pass SR	Yes/No	Yes/No
SRN of MGT-14		

20. Risk Management Policy

The Company has laid down a well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor the business and non-business risks. The Board periodically reviews the risks and Suggest steps to be taken to manage/ mitigate the same through a properly defined policy framework.

During the year, a risk analysis and assessment was conducted and no major risks were noticed, which may impact on the business objectives of the Company.

21. Disclosure about deposits

The Company has not accepted any deposits within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

(i)	Deposits accepted during year	Not applicable
(ii)	Deposits remained unpaid or unclaimed at end of year	
(iii)	Amount of default in repayment of deposits or payment of interest thereon beginning of year	
(iv)	Maximum amount of default in repayment of deposits or payment of interest thereon during year	
(v)	Amount of default in repayment of deposits or payment of interest thereon end of year	
(vi)	Number of cases of default in repayment of deposits or payment of interest thereon beginning of year	
(vii)	Maximum number of cases of default in repayment of deposits or payment of interest thereon during year	
(viii)	Number of cases of default in repayment of deposits or payment of interest thereon end of year	
(ix)	Details of deposits which are not in compliance with requirements of Chapter V of Act	

22. Compliance of Secretarial Standards

During the year under review, the Company has complied with applicable Secretarial Standards SS-1 and SS-2.

23. Corporate Social Responsibility

The provisions of Corporate Social Responsibility (CSR) became applicable to the Company for the financial year ended 31st March, 2024, pursuant to Section 135 of the Companies Act, 2013, as the net profit of the Company exceeded Rs. 5 Crores. Accordingly, the Company was required to spend an amount of ₹4,94,541.19, being 2% of the average net profits of the preceding three financial years computed in accordance with Section 198 of the Act.

However, the Company was unable to implement any CSR projects during the year due to the absence of a well-formulated CSR Policy. In compliance with the second proviso to sub-section (5) of Section 135 of the Companies Act, 2013, the said unspent amount is proposed to be transferred to the Prime Minister's National Relief Fund (PMNRF).

24. Conservation of Energy, Technology Absorption, Foreign Exchange earnings and Outgo

Conservation of Energy

Steps taken or impact on conservation of energy	Adequate measures have been taken to conserve the consumption of energy.
The steps taken by the company for utilizing alternate source of energy	Not applicable
The capital investment on energy conservation equipment	NIL

Technology Absorption

The efforts made towards technology absorption	During the year, your Company made significant addition to the numbers of desktops and servers used for software design and development and other services that the company provides.
The benefits derived like product Improvement, cost reduction, product development or import substitution	Your Company shall strive to adapt the changing technology to ensure quality delivery of its output.
In case of import and technology (import enduring the last three years Reckoned from the beginning of financial year)	No Technology import enduring the year
(a) The detail soft technology imported	
(b) The year of the import	
(c) Whether the technology been fully absorbed	
(d) If not fully absorbed area where absorption has not taken place,	

	And there as on thereof	
(e)	Thee expenditure on research and development	

Foreign Exchange earnings and Outgo

Earning sin Foreign exchange	2024-25 Rs.
Export	NIL

Expenditure in foreign currency	2024-25
	Rs.
Purchase of Raw Material	NIL
Traded goods	NIL
Technical Fees	NIL
Purchase of Fixed Assets	NIL
Travelling Expenses	NIL

25. Subsidiaries, Joint Ventures and Associate Companies

The Company is not having any Subsidiary, Associate Company or Joint Venture. Hence, there is no requirement of preparation of Standalone/Consolidated financial statements.

26. Internal Financial Controls:

The Company has established a comprehensive internal controls framework. This framework encompasses an array of policies, procedures, and mechanisms that are pivotal in augmenting operational efficiency and effectiveness, curtailing risks and expenditures, and fostering enhanced decision-making and accountability.

The internal financial controls framework, an integral component of the broader internal controls system, is pivotal in guaranteeing the dependability and precision of financial reporting. This framework facilitates the meticulous preparation of financial statements by generally accepted accounting standards.

27. Disclosure about Cost records and cost audit

The Company is required to maintain Cost Records as specified by the Central Government under section 148 of the Companies Act, 2013 and the same is applicable on the Company. The Company has maintained proper cost records as required under the act.

Cost audit is not applicable to the Company as the annual turnover of the company from all its products and services during the immediately preceding financial year does not exceed Rs.100 crore or more and the aggregate turnover of the individual product or products or service or services for which cost records are required to be maintained under rule 3 of Companies (Cost Records and Audit) Rules, 2014 does not exceed Rs. 35 crore or more.

28. Corporate Insolvency Resolution Process Initiated by the Company under the Insolvency and Bankruptcy Code, 2016 (IBC)

There are no proceedings initiated/pending by or against your Company under the Insolvency and Bankruptcy Code, 2016.

29. Details of Difference between the amount of the Valuation done at the time of One Time Settlement and the Valuation Done while taking loan from the Banks or Financial Institutions Along with the reasons thereof:

The Company has neither availed any loan from banks or financial institution and hence there is no application being ever made for One Time Settlement (OTS) with any banks or financial institution.

30. Annual Evaluation of the Board

During the year, annual performance evaluation of the Board and Committees of the Board, individual Directors including the Chairman of the Board, was carried out as per the criteria and process approved by Nomination and Remuneration Committee, which is in line with the SEBI Guidance Note on Board Evaluation.

The Board discussed upon the performance evaluation outcome and concluded that they were satisfied with the overall performance of the Board and Committees of the Board and Directors individually. The Board also assessed the fulfilment of the independence criteria by the Independent Directors of the Company and their independence from the management as specified in the Listing Regulations.

31. Compliance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company strongly believes in providing a safe and harassment free workplace for each and every individual working for the Company through various interventions and practices. It is the continuous endeavour of the Management of the Company to create and provide an environment to all its employees that is free from discrimination and harassment including sexual harassment. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

A statement that the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

(a)	(i)	Number of Sexual Harassment Complaints received	NIL
	(ii)	Number of Sexual Harassment Complaints disposed off	NIL
	(iii)	Number of Sexual Harassment Complaints pending beyond 90 days	NIL

Statement that company has complied with Maternity Benefit Act: The Company has complied with the provisions of Maternity Benefit Act, 1961 as there are more than 10 women employee in the Company.

32. Particulars of Employees

The Company being a Unlisted Public Company, disclosure under section 197(12) with regard to ratio of remuneration of Directors to median employee's remuneration is not applicable.

However, as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, we wish to inform that, during the year under review, none of the employee is drawing the remuneration in excess of Rs. 8.5 Lakhs per month when employed for part of year or Rs. 1,02,00,000 per annum when employee is employed for entire year.

33. Number of employees as on the closure of financial year

Female	20
Male	109
Transgender	NIL

34. Vigil Mechanism

Provisions of Section 177(9) of the Companies Act 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 are not applicable to the Company as the Company does not fall under any of category mentioned in Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014.

35. One Time Settlement Scheme:

During the year under review, the Company has not availed any one-time settlements offered from Banks.



36. Downstream Investment

The Company neither have any Foreign Direct Investment (FDI) nor invested as any Downstream Investment in any other Company in India.

37. Acknowledgement

Your Directors place on record their sincere appreciation for the continued support, co-operation and guidance received from shareholders, bankers, suppliers, customers and various Government authorities. The Board also records its deep appreciation for the committed and dedicated services rendered by the employees of the Company at all levels.

Place: Bengaluru
Date: 03/09/2025


Panish Anantharamaiah
Managing Director
DIN: 00288112
Address: #776, Flat No. T2,
Thirumala Pride
Apartments, 11th Main,
Vinayaka Layout,
Nagarabhavi 2nd Stage,
Bengaluru 560072

By Order of the Board for
Avana Electrosystems Limited




Kondahalli Nagaraj Sreenath
Director
DIN: 03099421
Address: No.676
Dhikshitharagalli, Magadi Taluk
Magadi Town Ramanagar 562120



avana

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1.	Details of contracts or arrangements or transactions not at arm's length basis	
(a)	Name(s) of the related party and nature of relationship	There were no contracts or arrangements or transactions entered into with a related party which were not at arm's length basis.
(b)	Nature of contracts/arrangements/transactions	As above
(c)	Duration of the contracts / arrangements/transactions	As above
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	As above
(e)	Justification for entering into such contracts or arrangements or transactions	As above
(f)	Date(s) of approval by the Board	As above
(g)	Amount paid as advances, if any:	As above
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	As above
2.	Details of material contracts or arrangement or transactions at arm's length basis	
(a)	Name(s) of the related party and nature of relationship	There were no contracts or arrangements or transactions entered into with a related party which were at arm's length basis.
(b)	Nature of contracts/arrangements/transactions	As above
(c)	Duration of the contracts / arrangements/transactions	As above
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	As above
(e)	Date(s) of approval by the Board, if any:	As above
(f)	Amount paid as advances, if any:	NIL

For and on behalf of the Board

Avana Electrosystems Limited

Place: Bengaluru
Date: 03/09/2025


Panish Anantharamaiah
Managing Director
DIN:00288112
Address: #776, Flat No. T2,
Thirumala Pride Apartments, 11th
Main, Vinayaka Layout, Nagarabhavi
2nd Stage, Bengaluru - 560072


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562120



ANNEXURE - 2
CORPORATE SOCIAL RESPONSIBILITY

1. Brief outline on CSR Policy of the Company.

• Key highlights during the year:

- As per the provisions of the Companies Act, 2013, Board required to spend 2% of net profit of the Company amounting to Rs. 494,541.19 /- as CSR contribution. However the Board has not made any CSR contribution by 31st March, 2025.

• Objectives:

Recognizing that business enterprises are economic organs of society and draw on societal resources, it is Avana Electrosystems Limited (hereafter referred to as "The Company") belief that a company's performance must be measured by its Triple Bottom Line contribution to building economic, social and environmental capital towards enhancing corporate social responsibility. The Company believes that in the strategic context of business, enterprises possess, beyond mere financial resources, the transformational capacity to create game-changing development models by unleashing their power of entrepreneurial vitality, innovation and creativity. In line with this belief, The Company will invest into the field of education, eradicating hunger, poverty and malnutrition, promoting health care. Such Corporate Social Responsibility ("CSR") projects are far more replicable, scalable and sustainable.

• Focus areas:

- To provide value based education;
- Eradicating hunger and poverty ;
- Promoting health care including preventative health care;
- Ensuring environmental sustainability;
- Promoting gender equality;

2. Composition of CSR Committee: Since the CSR expenditure is less than Rs.50,00,000, Board of Directors are carrying on the administration of CSR in the Company

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of Meetings which director was entitled to attend during the year	Number of meetings of CSR Committee attended during the year
1	--	--	--	--

3. Weblink to Composition of CSR, Committee, CSR Policy and CSR projects approved by the board are on the website of the company: Not Applicable.

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1	--	--	--

6. Average net profit of the Company as per section 135(5) – Rs. 2,47,27,059.71/-

7. (a) Two percent of average net profit of the company as per section 135(5) – Rs. 4,94,541.19/-

(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Not Applicable

(c) Amount required to be set off for the financial year, if any: - NIL

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 4,94,541.19/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5)		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL	4,94,600	18/09/2025	-	-	-

(b) Details of CSR amount spent against other than ongoing projects for the financial year

1	2	3	4	5	6	7	8	9	10	11
Sl No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes / No).	Location of the project	Project duration.	Amount allocated for the project	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State.	District.					

(c) Details of CSR amount spent against ongoing projects for the financial year: Nil

1	2	3	4	5	6	7	8	9	10	11
Sl No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.	Project duration.	Amount allocated for the project (Rs in Cr).	Amount spent in the current financial Year (in Rs in Cr).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation- Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency
				State.	District					
-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-	-

(d) Amount spent in Administrative Overheads - Nil

(e) Amount spent on Impact Assessment, if applicable - NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - NIL

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in Rs)
I	Two percent of average net profit of the company as per section 135(5)	4,94,541.19
II	Total amount spent for the Financial Year	0
III	Excess amount spent for the Financial Year [(II)-(I)]	--
IV	Surplus arising out of the CSR projects or programmes or*	--
V	Amount available for set off in succeeding financial years	--

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - NA

(asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s) - NA
- (b) Amount of CSR spent for creation or acquisition of capital asset - NA
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - NA
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - NA



Avana Electrosystems Limited.

(An ISO 9001-2015 Company)

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): - The Company was unable to implement any CSR projects during the year due to the absence of a well-formulated CSR Policy

By Order of the Board for

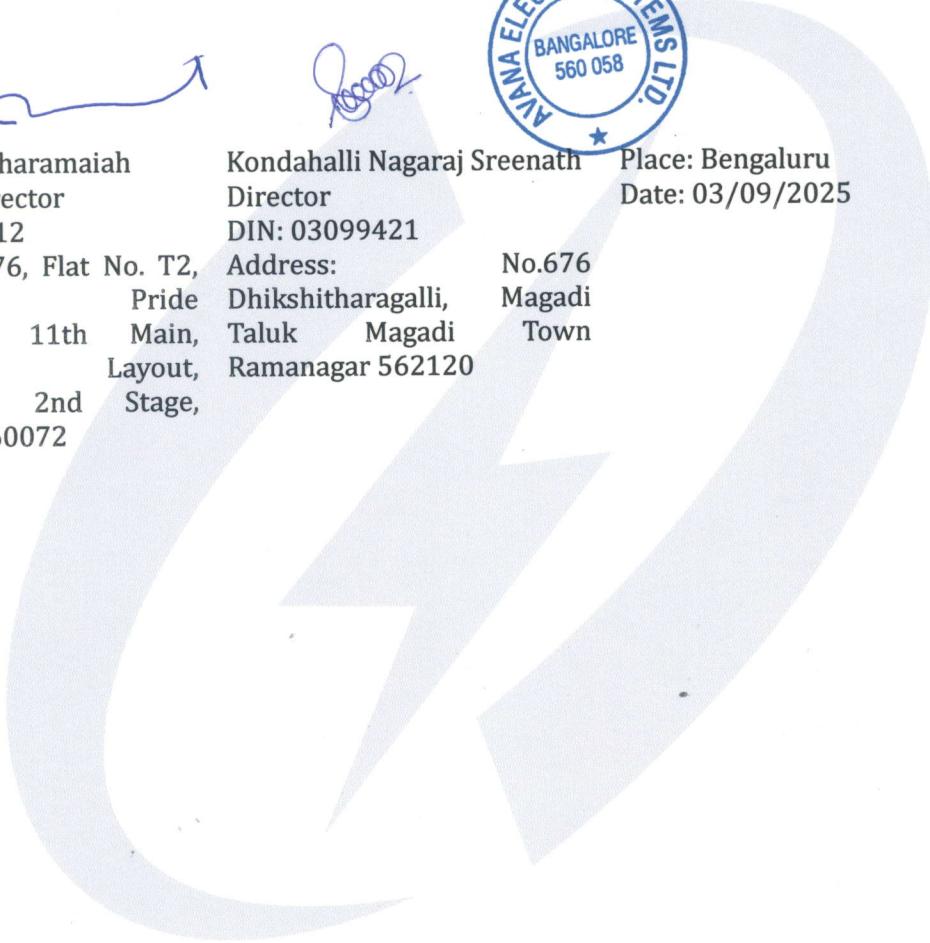
Avana Electrosystems Limited


Panish Anantharamaiah
Managing Director
DIN: 00288112
Address: #776, Flat No. T2,
Thirumala Pride Apartments, 11th Main,
Vinayaka Layout, Nagarabhavi 2nd Stage,
Bengaluru 560072


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Ramanagar 562120

Place: Bengaluru
Date: 03/09/2025




avana



Shareholding Pattern as on 31st March, 2025

Sl. No	Name of the Shareholders	No. of Shares	Percentage of Shares
1	Mr. Kondahalli Nagaraj Sreenath	2,01,890	25.4249
2	Mr. Panish Anantharamaiah	2,01,890	25.4249
3	Mr. Gururaj Dambal	2,01,890	25.4249
4	Mr. Vinod Kumar Sampathkumar	1,88,390	23.7248
5	Usha G	1	0.0001
6	Rama Subramanyam	1	0.0001
7	Smita Dambal	1	0.0001
8	Nithya M	1	0.0001
Total		7,94,064	100

By Order of the Board for
Avana Electrosystems Limited



Kondahalli Nagaraj Sreenath
Director
DIN: 03099421
Address: No.676, Dhikshitharagalli,
Magadi Taluk Magadi Town Ramanagar 562120

Place: Bengaluru
Date: 03/09/2025

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)

INDEPENDENT AUDITOR'S REPORT

To the Members of Avana Electrosystems Limited (Formerly known as Avana Electrosystems Private Limited) Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Avana Electrosystems Limited (Formerly known as Avana Electrosystems Private Limited)** ("the Company"), which comprise the Balance Sheet as at March 31, 2025 and the Statement of Profit and Loss, and the Statement of Cash Flows for the year then ended on that date and notes to the financial statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Director's Responsibility and Those charged with Governance for Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for



preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 read with notification No.464 (E) dated 5th June, 2015 along with amended notification dated 13th June, 2017 issued by MCA, the company is exempted from reporting requirement of expressing opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

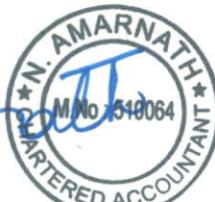
1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the '**Annexure-A**' a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable
2. (A) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, the Statement of Profit and Loss, and the statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act
- (B) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company does not have any pending litigations which would impact its financial position.



- b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d) (i) The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(ii) The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(iii) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material misstatement.
- e) The Company has neither declared nor paid any dividend during the year and therefore, compliance under section 123 is not commented upon.
- f) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention

for Vasanth & Co.,
Chartered Accountants
Firm Reg.No.008204S


N. Amarnath
Partner
M.No.510064
ICAI UDIN: 25510064BMIBGV6694



Place: Bangalore
Date: 03-09-2025

Annexure - A TO THE AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Avana Electrosystems Limited (formerly known as Avana Electrosystems private limited) of even date]

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i.

- a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has a regular programme of physical verification of its Property, plant and Equipment by which all property, plant and Equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of all the immovable properties are held in the name of the company and in respect of the leasehold industrial land allotted by the Government which is disclosed under Property, Plant & Equipment's. The allotment letter and lease documents are executed in the name of the Company (It holds property as a lessee and the lease agreements are duly executed in favour of the Company).
- d) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year. Therefore, provisions of Clause 3(i)(d) of the Order are not applicable to the Company.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the company, there were no proceedings initiated or are pending against the Company as on 31st March, 2025, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder. Therefore, provisions of Clause 3(i)(e) of the Order are not applicable to the Company.

ii.

- a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the inventory has been physically verified by the management during the year and in our opinion, the coverage and frequency of the inventory verification is reasonable and no material discrepancies 10% or more in aggregate for each class of inventory have been noticed during such physical verification of inventories when compared with the books of accounts.
- b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and financial institutions and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit/review.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during



the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

- iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments, nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Companies Act read with Companies (Acceptance of Deposits) Rules, 2014. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.
- vi. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Central Government has prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of the products manufactured by the Company. We have broadly reviewed such records and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determine whether they are accurate or complete.
- vii.
 - a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. As explained to us, the Company did not have any dues of Customs, Provident fund, Employee's State Insurance.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Service Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

- b) According to the records of the Company and as per the information and explanations given to us, dues outstanding in respect of Income tax, Goods and Service Tax, Custom duty and cess which have not been deposited on account of any dispute are as follows.

Name of the Statute	Nature of the dues	Amount not deposited Rs. ' Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	5.54	AY 2021-22	Centralised Processing Centre, Bangalore
		0.17	AY 2022-23	Centralised Processing Centre, Bangalore
Goods and Service Tax, 2017	Goods and Service Tax	2.13	AY 2018-19	Office of the Commissioner of Central Tax
		25.06	AY 2019-20	Office of the Commissioner of Central Tax
		2.15	AY 2020-21	Office of the Commissioner of Central Tax

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix.

According to the information and explanations given to us and on the basis of our examination of the records of the



company, the Company has not defaulted in the repayment of its loans or borrowings or in payment of interest thereon to any lender.

- b) According to the information and explanations given to us and on the basis of our examination of the records of the company, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has obtained short term loans during the year and the company has applied the loans for the purpose for which the loans were obtained.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the company and on an overall examination of the balance sheet of the Company, we report that the company had not utilized funds raised for short term basis for long term purposes.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Companies Act, 2013) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.
- f) According to the information and explanations given to us and on the basis of our examination of the records of the company and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

x.

- a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi.

- a) Based on examination of the books and records of the company and according to the information and explanations given to us by the management, no fraud by the Company or on the Company has been noticed or reported during the course of audit.
- b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanation given to us and representation received by the management, the Company has not received any whistle blower complaints during the year.

xii. According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, Clause 3 (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and section 188 of Companies Act, 2013 where applicable, and the requisite details have been disclosed in the Financial Statements as required by the applicable accounting standards. Further, in our opinion, the Company is not required to constitute audit committee under section 177 of the act.

xiv. In our opinion and according to the information and explanation given to us, the Company is not required to have an internal audit system commensurate with the size and the nature of its business. Accordingly, the provisions of Clause 3



(xiv) (a) and (b) of the Order are not applicable to the Company.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected to its directors. Accordingly, Clause 3 (xv) of the Order is not applicable.

xvi.

- a) In our Opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3 (xvi) (a) & (b) of the Order are not applicable to the Company.
- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(c) & (d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx.

- (a) The Company has unspent amounts of ₹4.95 lakhs towards Corporate Social Responsibility (CSR) on other than ongoing projects, which are required to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013, in compliance with the second proviso to sub-section (5) of section 135 of the said Act. The Company yet to be transferred the said amount within a period of six months from the end of the financial year to comply with the said provisions.
- (b) There are no ongoing CSR projects in the Company. Accordingly, reporting under clause (xx)(b) of the Order is not applicable

xxi. There is no consolidation of financial statements, accordingly, reporting under clause 3(xxi) is not applicable.

for Vasanth & Co.,
Chartered Accountants
Firm Reg.No.008204S


N. Amarnath
Partner
M.No.510064
ICAI UDIN: 25510064BMIBGV6694



Place: Bangalore
Date: 03-09-2025

Annexure -B to the Independent Auditor's Report of even date on the financial statements of Avana Electrosystems Limited (Formerly known as Avana Electrosystems Private Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Avana Electrosystems Limited (Formerly known as Avana Electrosystems Private Limited)** ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for Vasanth & Co.,
Chartered Accountants
Firm Reg.No.008204S


N. Amarnath
Partner
Membership No. 510064
ICAI UDIN: 25510064BMIBGV6694



Place: Bangalore
Date: 03-09-2025

AVANA ELECTROSYSTEMS LIMITED
 (Formerly known as Avana Electrosystems Private Limited)
 CIN- U31400KA2010PLC054508
 Balance Sheet As At 31st March, 2025

(Amount in INR lakhs, except for share data unless otherwise stated)

Particulars	Note	As At 31st March, 2025	As At 31st March, 2024
I. EQUITY AND LIABILITIES			
Shareholder's Funds			
(a) Share capital	2	79.41	79.41
(b) Reserves and surplus	3	2,100.59	1,253.52
Non-Current Liabilities			
(a) Long-term borrowings	4	126.16	291.55
Current Liabilities			
(a) Short-term borrowing	5	442.35	635.75
(b) Trade payables	6	266.62	353.37
(A) total outstanding dues of micro enterprises and small enterprises			
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		660.55	322.92
(c) Other current liabilities	7	463.50	317.71
(d) Short-term provisions	8	802.93	553.21
Total		4,942.12	3,807.42
II ASSETS			
Non-current assets			
(a) Property, Plant and Equipment & Intangible assets	9		
(A) Property, Plant and Equipment		317.26	369.66
(B) Intangible assets		9.42	9.19
(b) Deferred tax asset (net)	10	7.39	5.15
(c) Other Non current assets	11	32.80	64.80
Current assets			
(a) Inventories	12	1,470.95	1,193.31
(b) Trade receivables	13	2,119.08	1,483.64
(c) Cash and cash equivalents	14	530.71	378.33
(d) Short-term loans and advances	15	358.15	246.17
(e) Other current assets	16	96.35	57.17
Total		4,942.12	3,807.42

Significant accounting policies & other explanatory Information: 1

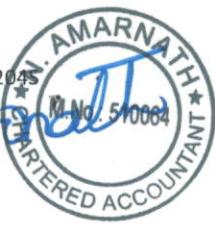
The notes referred to above form an integral part of the financial statements.

In terms of our report attached

for Vasanth & Co.,
Chartered Accountants

Firm Registration No:0082045

N. Amarnath
Partner
Membership No:510064



Place: Bengaluru
Date: 03-09-2025

For and on behalf of the Board of Directors
of Avana Electrosystems Limited
(Formerly known as Avana Electrosystems Private Limited)

A. Panish
Managing Director
DIN: 00288112

Gururaj Dambal
Whole Time Director
DIN: 03099402

K.N.Sreenath
Executive Director
DIN: 03099421

Amrutha
Company Secretary
ACS no. 65237


S. Vinod Kumar
Whole Time Director
DIN: 03115822


Ravi Kumar S
Chief Financial Officer
M.No: 239041

AVANA ELECTROSYSTEMS LIMITED
 (Formerly known as Avana Electrosystems Private Limited)
 CIN- U31400KA2010PLC054508

Statement of Profit and Loss for the Year Ended 31st March, 2025

(Amount in INR lakhs, except for share data unless otherwise stated)

Particulars	Note	For the year ended 31st March, 2025	For the year ended 31st March, 2024
I. Revenue from operations	17	6,148.58	5,298.77
II. Other Income	18	144.81	26.80
III. Total Income (I +II)		6,293.39	5,325.57
<i>IV. Expenses:</i>			
Cost of materials consumed	19	3,311.35	3,262.81
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	20	(102.06)	(19.03)
Employee benefits expense	21	886.46	623.64
Finance costs	22	91.25	111.19
Depreciation and Amortisation Expense	9	75.63	35.00
Other Expenses	23	800.87	724.33
IV. Total Expenses		5,063.50	4,737.93
V. Profit before exceptional and extraordinary items and tax	(III - IV)	1,229.88	587.64
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		1,229.88	587.64
VIII. Extraordinary Items		-	-
IX. Profit before Tax (VII-VIII)		1,229.88	587.64
X. Tax expense:			
(1) Current tax		325.70	163.95
(2) Current tax expense relating to prior years		(0.82)	-
(2) Deferred tax		(2.24)	19.67
Total tax expenses		322.64	183.62
XI. Prior period expenses		-	-
Gratuity and Leave encashment adjustment		60.17	-
XII. Profit for the year	(V - XI)	847.08	404.02
XIII. Profit/ (Loss) Carried forward to Balance Sheet		847.08	404.02
Earnings Per Equity Share (EPS)			
(1) Basic - Rs.		4.85	2.31
(2) Diluted- Rs.		4.85	2.31

Significant accounting policies & other explanatory Information: 1

The notes referred to above form an integral part of the financial statements.

In terms of our report attached
 for Vasantha & Co.,
 Chartered Accountants
 Firm Reg No: 0082045

N. Amarnath
 Partner
 Membership No:510064



For and on behalf of the Board of Directors
 of Avana Electrosystems Limited
 (Formerly known as Avana Electrosystems Private Limited)

A. Panish
 Managing Director
 DIN: 00288112

K.N.Sreenath
 Executive Director
 DIN: 03099421

S. Shinde
 Vinod Kumar S
 Whole Time Director
 DIN: 03115822

Place: Bengaluru
 Date: 03-09-2025

G. Dambal
 Gururaj Dambal
 Whole Time Director
 DIN: 03099402

Amrutha
 Amrutha
 Company Secretary
 ACS no. 65237

Ravi Kumar S
 Ravi Kumar S
 Chief Financial Officer
 M.No: 239041

AVANA ELECTROSYSTEMS LIMITED
 (Formerly known as Avana Electrosystems Private Limited)
 CIN- U31400KA2010PLC054508

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

(Amount in INR lakhs, except for share data unless otherwise stated)

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
A. Cash flow from operating activities		
Net profit before tax for the year.	1,229.88	587.64
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/Amortisation	75.63	35.00
Prior Period Items- Gratuity and Leave encashment	(60.17)	-
Finance Cost	91.25	111.19
Interest & Dividend Income	(29.21)	(24.62)
Operating (loss) / profit before working capital changes	1,307.39	709.21
Movement in working capital		
Decrease / (Increase) in Inventories	(277.64)	(423.02)
Decrease / (Increase) in Trade Receivable	(635.44)	(368.09)
Decrease / (Increase) in Other Current Assets	(39.18)	(16.64)
Increase / (Decrease) in Trade Payable	250.88	100.64
Increase / (Decrease) in Short Term Provision	249.73	273.05
Increase / (Decrease) in Current liabilities	145.79	(16.42)
Cash generated from operations	1,001.53	258.73
Provision for Taxation	(324.88)	(163.95)
Net cashflow generated from/(utilised in) operating activities (A)	676.66	94.77
B. Cash flows from investing activities		
Purchase of property, plant, and equipment (including intangibles assets)	(23.47)	(213.02)
Interest Income	29.21	24.62
Decrease / (Increase) in Short Term Loan and Advances	(111.98)	113.91
Decrease / (Increase) in Other Non Current Assets	32.00	(35.00)
Net cash used in investing activities (B)	(74.24)	(109.50)
C. Cash flows from financing activities		
Increase in Long term borrowings	(165.39)	54.46
(Increase)/decrease from Short Term Borrowings	(193.39)	139.65
Interest Paid	(91.25)	(111.19)
Net cash flow (used) in financing activities (C)	(450.04)	82.92
Net increase / (Decrease) in cash & cash equivalents (A + B + C)	152.38	68.19
Cash and cash equivalents at the beginning of the year	378.33	310.14
Cash and Cash Equivalents at the end of the year	530.71	378.33
Components of Cash and Cash Equivalents as at	31st March, 2025	31st March, 2024
Cash on hand	0.04	1.04
Balances with scheduled banks		
- In current accounts	25.11	-
- Balances with Banks- held as margin money	505.55	377.29
Total cash and cash equivalents	530.71	378.33

Note:

1. The above Cash Flow has been prepared using the "Indirect Method" as set out in Accounting Standard 3 - 'Cash Flow Statements'.

In terms of our report attached
 for Vasanth & Co.,
 Chartered Accountants
 Firm Reg No: 0082045

N.Amarnath
 Partner
 Membership No:510064



Place: Bengaluru
 Date: 03-09-2025

For and on behalf of the Board of Directors
 of Avana Electrosystems Limited
 (Formerly known as Avana Electrosystems Private Limited)

A. Panish
 Managing Director
 DIN: 00288112

Gururaj Dambal
 Whole Time Director
 DIN: 03099402

K.N.Sreenath
 Executive Director
 DIN: 03099421

Amrutha
 Company Secretary
 ACS no. 65237


 S. Vinod Kumar S
 Whole Time Director
 DIN: 03115822


 Ravi Kumar S
 Chief Financial Officer
 M.No: 239041

AVANA ELECTROSYSTEMS LIMITED
 (Formerly known as Avana Electrosystems Private Limited)
 CIN- U31400KA2010PLC054508

Notes Forming Part of the Financial Statements

(Amount in INR lakhs, except for share data unless otherwise stated)

Particulars		As at 31 March, 2025		As at 31 March, 2024	
		Number of shares	Amount	Number of shares	Amount
(a) Authorised	- Equity shares of Rs.10/- each with Voting rights	25,00,000.00	2,500.00	900,000.00	90.00
(b) Issued Subscribed and fully Paid up	Equity Shares of Rs.10/- each with voting rights	794,064.00	79.41	794,064.00	79.41
Total		794,064.00	79.41	794,064.00	79.41

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue of shares	Rights issue	Bonus Issue	Buy back/ Conversion/ Redemption	Closing Balance
Equity shares with voting rights						
Year ended 31 March, 2024	794,064.00	-	-	-	-	794,064.00
- Number of shares	79.41	-	-	-	-	79.41
Equity shares with voting rights						
Year ended 31 March, 2025	794,064.00	-	-	-	-	794,064.00
- Number of shares	79.41	-	-	-	-	79.41

(ii) Rights Preferences and restrictions on various classes of shares

(a) The Company has equity shares having par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of preferential allotment, if any. The distribution will be in proportion to the number of equity shares.

(b) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.

(c) Every member of the company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the company.

(iii) Subsequent Event – Bonus Issue of Equity Shares (21:1):

On 19 August 2025, the Board of Directors approved and allotted a bonus issue of equity shares in the ratio of 21:1 (i.e., 21 new shares for every 1 existing share). Any fractional entitlements (if any) will be settled in accordance with the Company's Articles of Association and prevailing stock exchange practices.

(iv) Increase in Authorised Share Capital Pursuant to the Shareholders' Approval during the period under Review:

(a) Pursuant to approval given by shareholder in the Extraordinary General Meeting held on 11th November 2024, the Authorised Share Capital of the Company was Increased from ₹ 90,00,000/- comprising of 9,00,000 Equity shares of ₹ 10/- each to ₹ 25,00,00,000/- comprising of 2,50,00,000 Equity shares of ₹10/- each

(v) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	Equity shares with voting rights	Equity shares with differential voting rights	Compulsorily convertible preference shares	Optionally convertible preference shares	Redeemable preference shares
As at 31st March, 2024	Nil	Nil	Nil	Nil	Nil
As at 31st March, 2025	Nil	Nil	Nil	Nil	Nil

(vi) Details of shares held by each shareholder holding more than 5% shares:

a. Equity shares with voting rights

Class of shares / Name of shareholder	As at 31st March, 2025		As at 31st March, 2024		% change during the year
	Number of shares held	% holding	Number of shares held	% holding	
Kondahalli Nagaraj Sreenath	201,890.00	25.42%	201,891.00	25.43%	-0.01%
Panish Anantharamaiah	201,890.00	25.42%	201,891.00	25.43%	-0.01%
Gururaj Dambal	201,890.00	25.42%	201,891.00	25.43%	-0.01%
Vinod kumar Sampathkumar	188,390.00	23.72%	188,391.00	23.72%	0.00%

(vii) Details of shares held by promoters

Class of shares / Name of shareholder	As at 31 March, 2025		As at 31 March, 2024		% change during the year
	Number of shares held	% holding	Number of shares held	% holding	
Equity shares with voting rights:					
Kondahalli Nagaraj Sreenath	201,890.00	25.42%	201,891.00	25.43%	-0.01%
Panish Anantharamaiah	201,890.00	25.42%	201,891.00	25.43%	-0.01%
Gururaj Dambal	201,890.00	25.42%	201,891.00	25.43%	-0.01%
Vinod kumar Sampathkumar	188,390.00	23.72%	188,391.00	23.72%	0.00%

AVANA ELECTROSYSTEMS LIMITED
 (Formerly known as Avana Electrosystems Private Limited)
 CIN- U31400KA2010PLC054508

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in INR lakhs, except for share data unless otherwise stated)

Particulars	As At 31st March, 2025	As At 31st March, 2024
Note : 3 Reserve & surplus		
(A) Capital Redemption Reserve		
Balance brought forward from Previous Year	8.59	8.59
Addition during the year	-	-
Less: Utilisation during the year	-	-
Closing Balance	8.59	8.59
(B) General Reserve		
Balance brought forward from Previous Year	11.14	11.14
Less:Transfer to Capital redemption Reserve Account	-	-
Closing Balance	11.14	11.14
(C) Surplus from Statement of Profit and Loss		
Balance brought forward from Previous Year	1,233.79	829.76
Add : Profit for the year carried from Profit and loss	847.08	404.02
Closing Balance	2,080.87	1,233.79
Closing balance of Reserves and Surplus(A+B+C)	2,100.59	1,253.52

Capital Redemption Reserve : The Companies Act, 2013 requires that when a Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve. The reserve is utilised in accordance with the provisions of Section 69 of the Companies Act, 2013.

Note : 4 Long-term borrowings

Term Loans from	As At 31st March, 2025	As At 31st March, 2024
(a) Banks Secured *	92.29	123.98
Less : Current Maturities of long term debt	31.88	31.70
	60.41	92.29
(b) Unsecured Loan	196.86	370.04
Less : Current Maturities of long term debt	131.11	170.78
	65.75	199.26
	126.16	291.55

(*) Secured on Collateral security of Site No 1a Plot No.35 Khata No 35 Ward No 39 2nd Phase Peenya Industrial Area with Personal guarantees of all Directors

(*) Loan on vehicle availed during the year

(*) Company is paying installment to banks on timely basis and there has been no delays in payment

Note : 5 Short-term borrowings

From Banks- Secured*	As At 31st March, 2025	As At 31st March, 2024
Cash Credit Facility from State Bank of India	-	0.01
Cash Credit Facility from HDFC bank	279.36	433.26
Add : Current Maturities of the Long term debt	162.99	202.47
Total Short-Term Borrowings	442.35	635.75

(*) Secured on Hypothecation of Trade Receivable & Inventories and Collateral Security of Immovable Property of the Company



AVANA ELECTROSYSTEMS LIMITED
 (Formerly known as Avana Electrosystems Private Limited)
 CIN- U31400KA2010PLC054508

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in INR lakhs, except for share data unless otherwise stated)

Particulars	As At						
	31st March, 2025	31st March, 2024					
Note : 6 Trade Payable							
Trade Payables							
(a) Total outstanding dues of micro enterprises and small enterprises	266.62	353.37					
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	660.55	322.92					
	927.17	676.29					
Trade payables ageing schedule for the year ended as on March 31, 2025:							
Particulars	Unbilled Dues	Not Due	Less than One Year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues to MSME	-	-	266.62	-	-	-	266.62
(previous year)	-	-	(353.37)	-	-	-	(353.37)
Others	-	-	660.55	-	-	-	660.55
(previous year)	-	-	(322.92)	-	-	-	(322.92)
Disputed dues – MSME	-	-	-	-	-	-	-
(previous year)	-	-	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-	-	-
(previous year)	-	-	-	-	-	-	-
Note : 7 Other Current Liabilities							
(a) Advances Received from Customers					109.17	217.05	
(b) Statutory Dues Payable					267.76	25.68	
(c) Outstanding Liabilities					76.63	69.98	
(d) Other Current Liabilities					9.95	5.00	
					463.50	317.71	
Note : 8 Short-Term Provisions							
(a) Provision for Employee Benefits					29.95	53.71	
Provision for Gratuity					31.47	-	
Provision for Leave Encashment							
(b) Provision - Others							
Provision for Income Tax(Net of TDS)					191.15	102.84	
Provision for Warranty					431.99	309.02	
Provision for Installation & Commissioning					118.37	87.63	
					802.93	553.21	
Note : 10 Deferred Tax Asset							
Deferred Tax Asset(Net)					7.39	5.15	
					7.39	5.15	
Note : 11 Other Non Current Assets							
Rental Deposit					32.80	64.80	
					32.80	64.80	



AVANA ELECTROSYSTEMS LIMITED
(Formerly known as Avana Electrosystems Private Limited)
CIN- U31400KA2010PLC054508

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in INR lakhs, except for share data unless otherwise stated)

Particulars	As At	
	31st March, 2025	As At 31st March, 2024
Note : 12 Inventories		
Raw Material		
Opening Balance	880.09	476.10
Purchased during the year	3,486.93	3,666.80
Consumed During the year	(3,311.35)	(3,262.81)
Closing Balance	1,055.67	880.09
Work-in-progress		
Opening Balance	29.53	256.61
Changes during the year	55.13	(227.07)
Closing Balance	84.66	29.53
Finished Goods		
Opening Balance	283.68	37.58
Changes during the year	46.93	246.10
Closing Balance	330.62	283.68
	1,470.95	1,193.31

(As valued and certified by the management)

Note : 13 Trade Receivables

Trade Receivables:					
Outstanding for a period exceeding six months					
<i>Considered Good</i>					242.54
<i>Considered Doubtful</i>					295.68
Outstanding for a period not exceeding six months					
<i>Considered Good</i>					1,876.55
					2,119.08
					1,483.64

Particulars	Outstanding for following periods from due date of payment as at 31 Mar 2025					
	Less than 6 Months	6 Months-1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,876.55	242.54	-	-	-	2,119.08
(Previous Year)	(1,187.97)	(295.68)	-	-	-	(1,483.64)
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Note : 14 Cash and cash equivalents

(A) Cash and Cash Equivalents:						
Cash in Hand					0.04	1.04
Total (A)					0.04	1.04
(B) Bank balances other than cash & cash equivalents						
i) Current Accounts					25.11	-
ii) Margin money against borrowings, guarantee/other Commitments *					505.55	377.29
Total (B)					530.67	377.29
Total (A+B)					530.71	378.33

* Margin money deposits are maintained with HDFC Bank and State Bank of India against Bank Guarantees and Letters of Credit. These deposits are earmarked for the respective facilities and are not freely available for general business use.



AVANA ELECTROSYSTEMS LIMITED
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in INR lakhs, except for share data unless otherwise stated)

Particulars	As At 31st March, 2025	As At 31st March, 2024
Note : 15 Short-term Loans & Advances		
(a) Deposits		
Earnest Money Deposit	67.94	61.31
Other Deposit	0.09	0.09
(b) Secured Advances		
(Secured & Considered Good - Advance recoverable in Cash or in kind or for value to be received)		
Advance to KIADB towards procurement of Land	165.23	165.23
(b) Unsecured Advances		
(Unsecured & Considered Good - Advance recoverable in Cash or in kind or for value to be received)		
Advance to Suppliers & Others	18.93	0.13
Balance With Revenue Authority	103.44	18.42
Employee Advance	2.53	1.00
	358.15	246.17
Note : 16 Other Current Assets		
Prepaid expenses	18.35	35.02
Accrued Interest	47.70	22.15
Deferred IPO Expenses	30.30	
	96.35	57.17



AVANA ELECTROSYSTEMS LIMITED
 (Formerly known as Avana Electrosystems Private Limited)
 CIN- U31400KA2010PLC054508

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in INR lakhs, except for share data unless otherwise stated)

Particulars	As At 31st March, 2025	As At 31st March, 2024
Note : 15 Short-term Loans & Advances		
(a) Deposits		
Earnest Money Deposit	67.94	61.31
Other Deposit	0.09	0.09
(b) Secured Advances		
(Secured & Considered Good - Advance recoverable in Cash or in kind or for value to be received)		
Advance to KIADB towards procurement of Land	165.23	165.23
(b) Unsecured Advances		
(Unsecured & Considered Good - Advance recoverable in Cash or in kind or for value to be received)		
Advance to Suppliers & Others	18.93	0.13
Balance With Revenue Authority	103.44	18.42
Employee Advance	2.53	1.00
	358.15	246.17
Note : 16 Other Current Assets		
Prepaid expenses	18.35	35.02
Accrued Interest	47.70	22.15
Deferred IPO Expenses	30.30	
	96.35	57.17



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in INR lakhs, except for share data unless otherwise stated)

Particulars	As At 31st March, 2025	As At 31st March, 2024
Note : 17 Revenue from operations		
Sales of Products:		
Domestic Sales	6,119.02	5,279.06
Export Sales	-	-
Sales of Services:		
Service Charges	29.55	19.71
	6,148.58	5,298.77
Note : 18 Other Incomes		
Interest on Term Deposits	29.21	24.62
Other Income	115.60	2.18
	144.81	26.80
Note : 19 Cost of Materials Consumed		
A) Raw Material Consumed		
Opening Stock of Raw Material	880.09	476.10
Purchases of Raw Materials and Consumables	3,486.93	3,666.80
	4,367.02	4,142.90
Less: Closing Stock of Raw Material	1,055.67	880.09
	3,311.35	3,262.81
Note : 20 Increase (or) Decrease in Inventory :		
Changes In Inventories of Work in Progress		
Closing Inventories		
-Finished Goods	330.62	283.68
-WIP	84.66	29.53
	283.68	37.58
Less: Opening Inventories		
-Finished Goods	29.53	256.61
-WIP		
	(102.06)	(19.03)
Note : 21 Employee Benefits Expenses		
Salaries & Wages	851.06	566.86
Leave Encashment	9.85	-
Staff Welfare Expenses	36.78	38.14
Contributions to Gratuity fund	(11.28)	18.59
Labour welfare fund	0.05	0.05
	886.46	623.64



AVANA ELECTROSYSTEMS LIMITED
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in INR lakhs, except for share data unless otherwise stated)

Particulars	As At 31st March, 2025	As At 31st March, 2024
Note : 22 Financial Cost		
(A) Interest Expense		
Interest on OD	5.17	10.66
Interest on Term Loan	59.38	69.02
Total Interest Expenses	64.56	79.68
(B) Other Charges		
L C Interest & Discounting Charges	17.37	19.67
Bank Charges	9.33	11.84
Total Other Expenses	26.70	31.51
Total (A+B)	91.25	111.19
Note : 23 Other Expenses		
A) Selling & Distribution Expenses		
Marketing Consultancy & Exhibition Charges	96.95	71.31
Clearing, Forwarding & Freight	44.42	50.28
Sales Promotion Expenses	34.61	19.82
B) Operating, Administrative & Other Expenses		
Labour Charges	121.79	134.89
Legal & Professional Charges	40.20	26.69
Installation & Commissioning charges	30.74	32.00
Warranty Expenses	122.97	133.82
Travelling Expenses	73.32	34.81
Security Service Charges	23.66	22.28
Power and Electricity	4.86	4.75
Insurance Expenses	37.60	21.28
Rental Expenses	59.34	53.30
Liquidated Damage Charges	8.09	37.14
Rates and Taxes	8.90	3.08
Conveyance Expenses	13.04	14.07
Repairs & Maintenance	6.44	12.22
Office Maintenance	12.45	15.09
Communication Expenses	7.13	6.20
Printing and Stationary	2.91	3.56
CSR Contribution	4.95	-
Bad debts written off	3.58	9.75
Payment to auditor's as		
Statutory Audit fee	7.00	7.00
Other Matters	3.00	3.00
Other Expenses	32.93	8.01
	800.87	724.33



Note No. 9 Forming Part of the Financial Statements
Property, Plant and Equipment & Intangible Asset Schedule

AVANA ELECTROSYSTEMS LIMITED
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 CIN- U31400KA2010PLC054508

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1st April 2024	Additions	Deletions	As on 31st March 2025	1st April 2024	Upto for the year	Up to on deletion	31st March 2025	As on 31st March 2025	As on 31st March 2024
I. Property, Plant and Equipment :										
Land	173.07	-	-	173.07	-	-	-	-	173.07	173.07
Lease Hold Improvements	11.23	0.37	-	11.60	2.52	0.81	-	-	8.26	8.71
Computer	40.80	9.40	-	50.20	32.46	7.66	-	40.12	10.08	8.34
Office Equipments	88.24	7.14	-	95.38	30.52	28.75	-	59.26	36.12	57.72
Plant and Machinery	57.18	1.94	-	59.12	37.39	3.62	-	41.01	18.11	19.79
Tools	59.46	0.14	-	59.60	53.39	2.37	-	55.76	3.84	6.07
Furniture and Fittings	40.71	0.15	-	40.85	37.44	0.63	-	38.07	2.78	3.27
Vehicle	101.52	1.19	-	102.70	8.82	28.88	-	37.70	65.01	92.70
	571.70	20.32	-	592.53	202.54	72.72	-	275.26	317.26	369.66
II Intangible Assets										
Software	30.64	3.14	-	33.79	21.45	2.91	-	24.36	9.42	9.19
TOTAL	602.35	23.47	-	626.31	224.00	75.63	-	299.63	326.69	378.85
Previous Year		389.83	213.02		602.84	189.00	35.00	-	224.00	378.85



AVANA ELECTROSYSTEMS LIMITED

(Formerly known as Avana Electrosystems Private Limited)
 DEPRECIATION SCHEDULE AS PER INCOME TAX RULES

ASSETS	% of Dep	WDV AS ON 01-04-2024	ADDITIONS		NET TOTAL 31-03-2025	DEPRECIATION FOR THE YEAR 31-03-2025	WDV AS ON 31-03-2025
			Before Sept	After Sept			
Land	-	173.07	-	-	173.07	-	173.07
Lease Hold Improvements	10%	9.06	-	0.37	9.43	0.92	8.51
Computer	40%	9.18	2.95	6.45	18.58	6.14	12.44
Office Equipments	15%	68.07	6.06	1.08	75.21	11.20	64.01
Plant and Machinery	15%	19.80	0.27	1.67	21.74	3.14	18.60
Vehicle	15%	93.90	1.19	-	95.09	14.26	80.83
Software	40%	8.06	2.77	0.37	11.20	4.41	6.80
Tools	15%	15.91	0.14	-	16.05	2.41	13.64
Furniture and Fixtures	10%	14.98	0.15	-	15.12	1.51	13.61
TOTAL		412.04	13.53	9.94	435.50	43.99	391.51



AVANA ELECTROSYSTEMS LIMITED

(Formerly known as Avana Electrosystems Private Limited)

(Amount in INR lakhs, except for share data unless otherwise stated)

CALCUALTION OF TIMING DIFFERENCES FOR DEFERRED TAX PROVISION

Note No. 10 Forming Part of the Financial Statements

Particulars	As at 31st March 2025	As at 31st March 2024
Timing Difference on account of:		
Difference between book value of Depreciable Assets as per Books of Account and WDV as per Income Tax Purposes	(64.82)	(33.19)
Impact of Gratuity Provisions and leave encashement	35.46	12.72
<i>Total Timing Difference</i>	(29.37)	(20.47)
Rate of Tax (%)	25.17%	25.17%
Deferred Tax Asset		
Fixed Asset : Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	(16.32)	(8.35)
Expenses Allowable in Future - Section 43B	8.92	3.20
Net Deferred Tax (Asset)/liability	(7.39)	(5.15)



Avana Electrosystems Limited
(Formerly known as Avana Electrosystems Private Limited)
(All amounts in Rs. Lakhs, except as otherwise stated)

Note No. 1

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION:

ACCOUNTING POLICIES:

Background:

Avana Electrosystems Limited (Formerly known as Avana Electrosystems Private Limited) (the Company') was incorporated on 16th July 2010. The company is engaged in the business of manufacturing and dealers in various types of electronic products, switchgear products, circuit breakers, relay, control and protection panels, electric distribution boards, electronic meters, transformers, raw materials, assemblies, spares, accessories, consumables, disposables, tools, test equipments, measuring equipment's, telecommunication products, satellite products, information technology products, substation, automation products, SCADA, energy saving equipments, battery charges, current transformers, power transformers, etc.

A. Basis for preparation:

1. Accounting Convention:

The Financial Statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises of mandatory Accounting Standards as specified under Sec. 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. Use of Estimates:

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from these estimates, difference between the actual results and estimates are recognized in the year in which the results are known / materialized.

B. Significant Accounting Policies:

1. Revenue Recognition:

- Revenue is generally recognized when all significant contractual obligations have been satisfied and collection of the resulting receivable is reasonably assured. Revenue from Sale of products is recognized when the risks and rewards of ownership are passed on to the customers, generally, at the time of delivery and acceptance and after consideration of all the terms and conditions of the customer contract.



Avana Electrosystems Limited
(Formerly known as Avana Electrosystems Private Limited)
(All amounts in Rs. Lakhs, except as otherwise stated)

The Company reports revenues net of taxes.

Interest is recognized using the time-proportion method, based on rates implicit in the transaction.

2. Expenditure:

Expenses are accounted for on an accrual basis and provision is made for all known losses and liabilities. Expenses incurred on and directly attributable to the company's manufacturing activities are charged to revenue as 'period costs'.

3. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

4. Provisions and contingent liabilities:

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the Balance sheet date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made

5. Property Plant and Equipment:

Property Plant and Equipment are stated at cost less depreciation. The Company capitalizes all cost relating to the acquisition and installation of fixed assets.

The company has adopted Schedule II to the Companies Act, 2013, for depreciation purposes, from 1st April 2014.

Depreciation on tangible fixed assets is provided on the written down value method, based on life of assets and in the manner specified in Schedule II to the Companies Act, 2013 and individual assets acquired for a value less than (or) equal to Rs.5,000/- are not capitalized.

The useful lives of assets and the manner specified in Schedule II to the Companies Act, 2013 is as per the table below:

Avana Electrosystems Limited
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(All amounts in Rs. Lakhs, except as otherwise stated)

Asset Description	No. of Years
Computers & Accessories	3
Plant & Machinery	15
Furniture & Fixtures	10
Office Equipment	5
Tools	5
Car	8
Leasehold Improvements	30

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

6. Impairment of Assets:

The Company assess at each Balance Sheet date whether there is any indication that any of the assets may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an Impairment loss and is recognized in the profit and loss account. As on the Balance Sheet date the Company assessed for impairment of assets and found no indication of impairment of assets as per Accounting Standard (AS-28).

7. Effects of changes in Foreign Exchange rates:

- a. Foreign currency transactions of Income and Expense during the year are recorded at the rate prevailing on the date of transaction.
- b. Foreign-currency denominated monetary assets and liabilities are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in the Profit and Loss account.
- c. Exchange differences arising on the settlement of monetary items or on reporting monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise except those arising from investments in non-integral operations.

8. Leases:

Assets acquired under finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to the ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payment at the inception of the lease term. These are disclosed as leased assets. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Avana Electrosystems Limited
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9. Cash and cash equivalents:

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

10. Income Taxes:

Income taxes are accrued in the same period that the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

Tax expenses comprises of current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable Income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carries forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. At each Balance Sheet date, the Company re-assesses unrecognized deferred tax assets.

It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized.

Minimum Alternate Tax:

The Company does not recognize the Minimum Alternate Tax [MAT] Credit on account of exercising the option under section 115BAA of the Income Tax Act, 1961 effective from A.Y. 2020-21.



11. Employee Benefits:

a. Defined –contribution plans

These are plans in which the company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contribution to the Employees' Provident Fund, Superannuation Fund and Certain State plans like Employees' State Insurance and Employees' Pension Scheme. Presently the company provides for Employees' Provident Fund, Pension Scheme and Employees' State Insurance. The company does not provide for Superannuation benefits. The company's payments to the defined contribution plans recognized as expense during the period in which the employees perform the services that the payment covers.

b. Defined-benefit plans:

Gratuity: The gratuity plan provides a lump sum payment to vested employees, at retirement or termination of employment, based on the respective employee's last drawn salary and the number of years of service.

Leave Encashment: Under the leave encashment plan, employees are entitled to receive a lump sum payment for unutilized earned leave at the time of retirement, resignation, or termination, based on their last drawn salary and the number of leave days accrued.

A provision is created by the Company for future obligations under both plans. The liabilities for gratuity and leave encashment are determined based on actuarial valuations, in accordance with Accounting Standard (AS) 15 – Employee Benefits, using the projected unit credit method and other actuarial assumptions as recommended by independent actuaries. The actuarial valuation considers factors such as employee attrition, expected salary increases, and retirement age to arrive at the present value of the defined benefit obligations.

12. Borrowing costs:

Borrowing costs that are attributable to the acquisition, construction or productivity of qualifying assets are capitalized as part of the cost of such assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

13. Valuation of Inventories:

Cost of inventories have been computed to include all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. "Cost" means standard weighted average cost exclusive of all statutory levies but inclusive of transit insurance, wherever applicable.



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(Formerly known as Avana Electrosystems Private Limited)
(All amounts in Rs. Lakhs, except as otherwise stated)

- a.** Raw materials and component inventories (excluding non-standard, non-moving and obsolete items) are valued at lower of cost and net realizable value.
- b.** Finished goods and Semi-Finished goods are valued at cost or net realizable value, whichever is lower.

14. Related Party Disclosures:

Transactions between related parties are disclosed as per Accounting Standard 18, "Related Party Disclosures". Accordingly, disclosures regarding the name of the transacting-related party, description of the relationship between the parties, nature of transactions and the amount outstanding as at the end of the accounting year, are made.

15. Product Warranty:

Provisions for warranty-related costs are recognized on estimated basis when the product is sold or service provided to the customer. Initial recognition is based on historical experience of the product / services failures as well as current information of repair costs. The initial estimate of warranty-related costs is revised annually.

Product warranty expenses are provided on an estimated basis. The management estimate of the provision amount is primarily based on historical experience of the product/service failures as well as current information of repair costs.

16. Earnings Per Share:

Basic Earnings per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



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24. Additional Information to the financial Statements

1. Related Party Transactions:

List of Related Parties:

Name	Relationship
Panish Anantharamaiah	Managing Director
Kondahalli Nagaraj Sreenath	Executive Director*
Gururaj Dambal	Whole Time Director
Vinod Kumar S	Whole Time Director
Smitha Dambal	Wife of Whole Time Director
Nithya V	Wife of Whole Time Director
G Usha	Wife of Executive Director
Rama S	Wife of Managing Director
Ramabai Dambal	Mother of Whole time Director
Ravi Kumar S	Chief Financial Officer*

* Mr. Ravi Kumar S has been appointed as Chief Financial Officer with effect from September 1, 2025, in place of Mr. Kondahalli Nagaraj Sreenath, who resigned from the said position on August 29, 2025.

a. The details of transactions for the years ended March 31, 2025 and March 31, 2024 are as follows:

Particulars	Year Ended 31 st March	
	2025	2024
Director Remuneration:		
Panish Anantharamaiah	61.20/-	41.88/-
Kondahalli Nagaraj Sreenath	38.16/-	21.24/-
Gururaj Dambal	47.28/-	27.96/-
Vinod Kumar S	38.76/-	21.84/-
Relatives of Directors:		
Professional Fee:		
Smitha Dambal	18.00/-	18.60/-
G Usha	18.00/-	18.60/-
Rama S	18.00/-	18.60/-
Nithya V	18.00/-	18.60/-
Ramabai Dambal	06.00/-	00.00/-

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b. Balances outstanding of Related Parties for the years ended March 31, 2025 and March 31, 2024 are as follows:

Particulars	Year Ended 31 st March	
	2025	2024
(I) Directors and Key Managerial Personnel		
Panish Anantharamaiah	2.43/-	1.92/-
Kondahalli Nagaraj Sreenath	2.17/-	0.92/-
Gururaj Dambal	2.63/-	1.69/-
Vinod Kumar S	1.64/-	1.17/-
(II) Relatives of Directors and Key Managerial Personnel		
Professional Fee:		
Smitha Dambal	1.50/-	1.50/-
G Usha	1.50/-	1.50/-
Rama S	1.50/-	1.50/-
Nithya V	1.50/-	1.50/-
Ramabai Dambal	0.45/-	0.00/-

2. Auditor's Remuneration:

Particulars	Year Ended 31 st March	
	2025	2024
Statutory Audit	7.00/-	7.00/-
Tax Audit	1.50/-	1.50/-
Other Services	1.50/-	1.50/-
Total	10.00/-	10.00/-

3. Contingent Liabilities:

Particulars	March'2025	March'2024
	Amount	
Contingent Liabilities:		



Avana Electrosystems Limited
(Formerly known as Avana Electrosystems Private Limited)
(All amounts in Rs. Lakhs, except as otherwise stated)

Particulars	March'2025	March'2024
	Amount	
Outstanding guarantees and Counter Guarantees to various banks, in respect of the guarantees given by those banks in favour of various government authorities and others:		
i. Bank Guarantees given for the same against the fixed deposit with Bank	485.33/-	242.98/-
ii. Letter of Credit	509.51/-	178.67/-

4. Employee Benefits: [AS-15]

Defined Contribution Plans

Disclosures required under Accounting Standard 15 (Employee Benefits) (Revised 2005). The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Contributions towards the Provident Fund, ESI and Gratuity Fund recognized in the Statement of Profit and Loss for the year are as under:

Defined Contribution Plan	2024-2025	2023-2024
Provident Fund	42.45/-	33.19/-
Employee State Insurance (ESI)	1.33/-	2.41/-
Gratuity	(11.28)/-	18.59/-
Leave Encashment	9.85/-	-

The Company has certain defined benefit obligations, including gratuity and leave encashment, which are required to be measured in accordance with Accounting Standard (AS) 15 – Employee Benefits, using actuarial assumptions.

During the previous years, including FY 2023-24, the liabilities for such obligations were recognized based on management estimates. For the year ended March 31, 2025, the Company obtained an actuarial valuation of its defined benefit obligations. The management has considered the actuarial valuation report as the basis for recognition and measurement of employee benefit liabilities for the current financial year.

Accordingly, the actuarial valuation as of March 31, 2025, has been relied upon for confirming the employee benefit obligations and related expenses for the current year.



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5. Taxation

Provision for Current income tax liability of Rs. 325.70/- (PY: Rs. 163.95/-) has been made by the Company.

6. Events occurring after the date of Balance Sheet:

The Board of Directors in their meeting held on 19th August 2025, approved a bonus issue of equity shares in the ratio of 21:1. The record date / allotment is to be subsequently determined and fractional entitlements (if any) will be settled as per the Articles and stock exchange practice. As this event occurred after the Balance sheet date but prior to authorisation of the financial statements, the basic and diluted earnings per share for all periods presented have been adjusted retrospectively in accordance with AS 20 (Earnings Per Share) and AS guidance.

7. Activity in Foreign Currency:

Particulars	Year Ended March 31	
	2025	2024
Earnings in Foreign Currency		
Sales – FOB value of Exports	NIL	NIL
Expenditure in Foreign Currency		
Import of Raw Materials – CIF value of Imports	2,011/-	1,277/-

8. In the opinion of the management, Current Assets, Loans and Advances have a value not less than what is stated in the accounts if realized in the ordinary course of business.

9. Operating Lease:

The Company has entered into operating leases for office and assets. There are escalation clauses of 5-6% in certain lease agreements. There are no restrictions imposed by lease arrangements. There are no subleases. Gross Rental expenses from operating leases recognized in the Profit and Loss Account for the year ended March 31, 2025 is Rs. 59.34/- (PY: Rs. 53.30/-).

10. Disclosures under Section 22 of the Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26th August, 2008 which recommends that Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006 (the Act). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the



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financial statements based on information received and available with the Company. In view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at 31-03-2025	As at 31-03-2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	266.62	353.37
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	NIL	NIL
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	NIL	NIL
(iv) The amount of interest due and payable for the year	NIL	NIL
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	NIL	NIL
Total	266.62	353.37

Note: The above is as per information and records maintained by the company and relied upon by the auditors.

11. Computation of Earnings Per Equity Share [EPS] as required by AS-20:

Particulars	2024-2025	2023-2024
Net Profit for the Year	847.08/-	404.02/-
Weighted average number of shares*	1,74,69,408/-	1,74,69,408/-
Earnings per Share – Basic *	4.85/-	2.31/-
Earnings per Share – Diluted *	4.85/-	2.31/-
Face value per equity share	10/-	10/-

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NOTE:

- * Basic earnings per share are computed by dividing the profit / (loss) attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The Company issued bonus shares in the ratio of 21 (twenty-one) bonus equity share for every 1 (One) existing equity shares. The bonus was approved by the shareholders on 04th August, 2025 after 31st March 2025 (31 March 2025) and before the financial statements were authorised for issue. Accordingly, in accordance with AS 20, the basic and diluted earnings per share for the years ended 31 March 2025 and 31 March 2024 have been restated retrospectively as if the said bonus issue had been in effect throughout the earliest period presented.
- * Diluted EPS equals basic EPS as there were no dilutive potential ordinary shares outstanding as at the respective Balance sheet dates.

12. Warranty Provision:

Particulars	2024-2025	2023-2024
Opening Balance	309.02/-	175.21/-
Add: Additions During the year	228.47/-	227.32/-
Less: - Amount paid/ Adjusted during the year	105.50/-	93.50/-
Closing Balance	431.99/-	309.02/-

13. Installation & Commissioning Provision:

Particulars	2024-2025	2023-2024
Opening Balance	87.63/-	55.63/-
Add: Additions During the year	66.24/-	32.00/-
Less: - Amount paid/ Adjusted during the year	35.50/-	-
Closing Balance	118.37/-	87.63/-

14. Details of Crypto Currency or Virtual Currency:

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.



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15. Corporate Social Responsibility Expenditure

Consequent to the requirement of section 135 and schedule VII of the Companies Act, 2013, the Company is required to contribute 2% of its average net profits during the immediately three preceding financial years in pursuance of its Corporate Social Responsibility ("CSR") Policy. This is the first year of CSR applicability in the Company as per the requirement of Section 135 (1).

PARTICULARS	2024-25	2023-24
Opening Balance	-	-
Add: Provision for the year	4.95	-
Less: Amount Spent during the year	-	-
Closing Balance	4.95	-

16. Benami Transactions

There are no proceedings that have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

17. Company Struck off

The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013.

18. Undisclosed Income

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

19. Other Statutory Information

- (i) Since the company does not have any subsidiary the provisions of section 2 clause 87 of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules 2017 is not applicable to the company.



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(ii) During the year no scheme of arrangements in relation to the company has been approved by the competent authority in terms of section 230 to 237 of the Companies Act, 2013. Accordingly aforesaid disclosure is not applicable since there was no such transactions.

(iii) The company does not have any such transaction which is not recorded in the discussed account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961 such as search or survey or any other relevant provisions of the income tax act 1961.

20. The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024

Particulars	Numerator	Denominator	March 31, 2025	March 31, 2024	Variance 2024-25
(a) Current ratio	Current assets	Current liabilities	1.74	1.54	13%
(b) Debt-equity ratio ⁽¹⁾	Total Debt	Shareholder's Equity	0.13	0.37	-64%
(c) Debt service coverage ratio ⁽²⁾	Earnings available for debt service	Debt Service	3.99	1.75	127%
(d) Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.48	0.36	35%
(e) Inventory turnover ratio ⁽³⁾	Cost of Goods Sold	Average Inventory	2.41	3.30	-27%
(f) Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	3.41	4.08	-16%
(g) Trade payables turnover ratio ⁽⁴⁾	Net Credit Purchases	Average Trade Payables	4.35	5.86	-26%
(h) Net capital turnover ratio ⁽⁵⁾	Revenue from Operations	Working Capital	3.17	4.51	-30%
(i) Net profit ratio ⁽⁶⁾	Net Profit	Revenue from Operations	0.20	0.11	80%
(j) Return on capital employed ⁽⁷⁾	Earning before interest and taxes	Capital Employed	0.41	0.30	36%

- 1) Significant reduction in debt compared to equity, indicating repayment of borrowings or lower reliance on external funds.
- 2) Higher earnings available for debt service or lower debt obligations, improving repayment capacity.
- 3) Slower inventory movement, possibly due to excess stockholding or reduced sales.
- 4) Higher Outstanding against the Purchase made during the year.
- 5) Decline due to lower revenue generation relative to working capital employed.
- 6) Improved profitability driven by higher margins or cost efficiency.
- 7) Better utilization of capital resulting in higher operating profits.

21. Legal Proceedings

The Company is not subject to any legal proceedings or claims during its ordinary course of business. Hence, there are no material or adverse effect on the Company's results.



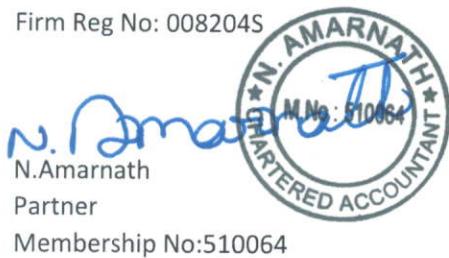
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22. The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, where audit trail feature was enabled. Further, audit trail feature has not been tampered with in respect of other accounting software.

23. As per Rule 3 of Companies (Accounts) Rules, 2014, amended on August 5, 2022, relating to maintenance of electronic books of accounts and other relevant books and papers, the books of account and other relevant books and papers maintained in electronic mode are accessible in India at all times, however the backup of the books of accounts and other books and papers maintained in electronic mode has been maintained on servers physically located in India on daily basis.

24. Previous year figures are regrouped and reclassified wherever necessary to make it more meaningful and comparable.

In terms of our report attached
for Vasanth & Co.,
Chartered Accountants
Firm Reg No: 008204S



Place: Bengaluru
Date: 03-09-2025

For and on behalf of the Board of Directors
of Avana Electrosystems Limited
(Formerly known as Avana Electrosystems Private Limited)

A. Panish
Managing Director
DIN: 00288112

K.N.Sreenath
Executive Director
DIN: 03099421

Vinod Kumar.S
Whole Time Director
DIN: 03115822

Gururaj Dambal
Whole Time Director
DIN: 03099402

Amrutha
Company Secretary
ACS no. 65237

Ravi Kumar S
Chief Financial Officer
M. No: 239041