CERTIFICATE ON OUTSTANDING DUES TO CREDITORS AND MSMEs

To,

The Board of Directors,
Systematic Industries Limited
Office No. 418, 4th Floor, Nirmal Corporate Center,
L.B.S. Marg, Mulund (West), Mumbai - 400080,
Maharashtra, India.

And

Hem Securities Limited
203, Jaipur Tower,
M I Road, Jaipur- 302001,
Rajasthan, India.

(**Hem Securities Limited** referred to as the "**Book Running Lead Manager**" or the "**BRLM**")

Re: Proposed initial public offering of equity shares of face value of Rs. 10 each ("Equity Shares" and such initial public offer, an "IPO" or "Issue") of Systematic Industries Limited (the "Company").

We, **M/s K A R M A & Co. LLP,** Chartered Accountants, are the peer review auditors of the Company, have performed the procedures stated below with respect to amount outstanding to creditors of the Company as on March 31, 2025.

We have performed the following procedures:

(i) Obtained the schedule of creditors along with outstanding balances, prepared by management of the Company, as on March 31, 2025 bifurcated into two categories (i) outstanding dues of small scale undertakings (as per the Micro, Small and Medium Enterprises Development Act, 2006) ("**Small Scale Creditors/MSME Creditors**"), and (ii) outstanding dues of creditors other than Small Scale Creditors/ MSME Creditors ("**Other Creditors**"). The Other Creditors were further divided into "material creditors" and "other than material creditors" based on the materiality policy of the Company.

(ii) Compared the amount outstanding as per the schedule obtained in (i) above with the restated financial statements for period ended March 31, 2025, to confirm the accuracy and completeness of such amounts to the extent applicable along with ledger accounts of Creditors, and Bank Statements of the Company for the period ended March 31, 2025.

(iii) Verified the categories 'Small Scale Creditors' and 'Other Creditors' from confirmations received from the creditors.

(iv) Obtained resolution passed by the Board of Directors of the company, in its meeting held on January 22, 2025 and subsequently amended on April 15, 2025, where it determined that outstanding dues to the small-scale undertakings and other creditors, shall be considered material for the purpose of disclosure in Offer Document, if amount dues to any one of them exceeds 5.00% of the outstanding trade payables as per the restated financial statements of the Company ("Material Dues").

Based on the above procedures, information and explanations provided by the management of the Company, we confirm:

(Rs. In lakhs)

Type of Creditors	Number of Creditors	Total Amount Outstanding	No of Material Creditors	Amount of Material Creditors	No of Other Creditors	Amount of Other Creditors
Micro, small and medium enterprises	32	96.57	1	69.11	31	27.47
Other Creditors	259	1278.69	4	590.42	255	688.28
Total	**291**	**1375.27**	**5**	**659.53**	**286**	**715.74**

Refer Annexure A for list of creditors

Further, we hereby confirm that the company has not received any notices w.r.t to any non-compliance provisions w.r.t MSME Act, 2006.

We have conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" ("**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have also complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

This certificate is issued for the sole purpose of the Issue and this certificate or any extracts or annexures thereof, can be used, in full or part, for inclusion in the offer document, and any other material used in connection with the Issue, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the BRLM in connection with the Issue and in accordance with applicable law, and for the purpose of any defense the BRLM may wish to advance in any claim or proceeding in connection with the contents of the Issue documents.

We confirm that the information above is true, fair, correct, accurate, not misleading and without omission of any matter that is likely to mislead and adequate to enable investors to make a well informed decision.

This certificate may be relied on by the BRLM and their affiliates in relation to the Issue.

We undertake to update you in writing of any changes in the abovementioned position, until the date the Equity Shares issued pursuant to the Issue commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

Yours faithfully,

For K A R M A & Co. LLP
Chartered Accountants
FRN 127544W/W100376

KARMA & CO LLP • 127544W/W100376 • AHMEDABAD • FRN: CHARTERED ACCOUNTANTS

CA Jignesh A Dhaduk
Designated Partner
M. No. 129149
Place : Ahmedabad
Date : September 10, 2025
UDIN : 25129149BMFYMS6347

Encl: Annexure A