

VALUATION REPORT OF SYSTEMATIC INDUSTRIES LIMITED

Aug 2026

Private & Confidential

To,

Board of Directors/Audit Committee

SYSTEMATIC INDUSTRIES LIMITED

418, NIRMAL CORPORATE CENTRE, 4th FLOOR, L.B.S. MARG, MULUND
(WEST), Mumbai City, Mumbai, Maharashtra, India, 400080

Dear Sir,

Subject: Fair Valuation of Equity Share of SYSTEMATIC INDUSTRIES LIMITED

The valuation assignment has been conducted for the purpose of determining the Value per Equity Share of SYSTEMATIC INDUSTRIES LIMITED (hereinafter referred to as the "SIL" or "Company" or "Client") in connection with the proposed issue and allotment of equity shares by way of preferential allotment, for consideration in cash and consideration other than cash pursuant to the proposed share swap transaction.

The valuation has been carried out in compliance with the applicable provisions of Sections 42 and 62(1)(c) of the Companies Act, 2013, read with Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, Regulation 163(3) & 164 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as applicable, and in accordance with the valuation guidelines prescribed under the International Valuation Standards.

We, Procure Valux Private Limited – Sejal Ronak Agrawal (Director) (hereinafter referred to as "**Valuer Entity**" or "**We**" or "**Us**"), have been appointed to provide professional services in relation to fair equity value of SIL.

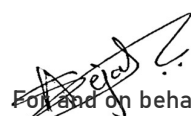
Sr No	Particulars	Date
1	Date of Valuation	31-08-2026
2	Date of Appointment	03-09-2026
3	Date of Submission of Report	08-09-2026
4	Relevant Date	01-09-2026

Name of Instrument	Value per share (INR)
Equity Share	227.39

This certificate is being issued for compliance with the aforesaid purpose only.

Regards,




For and on behalf of

Procure Valux Private Limited

Registered Valuer Entity – Securities & Financial Assets

Registration No. IBBI/RV-E/02/2025/218

CA Sejal Agrawal (Director)

VRN: IOVRVF/PVP/2026-2027/8075

PAN: AAPCP0249Q

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DEFINITIONS, ABBREVIATIONS AND GLOSSARY OF TERMS

Abbreviation	Meaning
PVPL / We / Us / Our	Procurve Valux Private Limited
SIL / Client / Company	SYSTEMATIC INDUSTRIES LIMITED
Management	Management of SYSTEMATIC INDUSTRIES LIMITED
CCM	Comparable Companies Multiple Method
COE / Ke	Cost of Equity
CTM	Comparable Transactions Multiple Method
Y-o-Y	Year on Year
D/E ratio	Debt-Equity ratio
DCF	Discounted Cash Flow Method
DFCF	Discounted Free Cash Flow
NAV	Net Asset Value
EBIT	Earnings Before Interest & Tax
EBITDA	Earnings Before Interest, Taxes Depreciation & Amortization
EV	Enterprise Value
IBBI	Insolvency and Bankruptcy Board of India
FCFE	Free Cash Flow to Equity
WACC	Weighted Average Cost of Capital

Abbreviation	Meaning
FY	Financial Year
CIN	Corporate Identification Number
IND-AS	Indian Accounting Standards
INR	India Rupees
IVS	International Valuation Standards, 2025
MOA	Memorandum of Association
AOA	Articles of Association
CAGR	Compound Annual Growth Rate
KMP	Key Managerial Personnel
VRN	Valuation Reference Number
BSE	Bombay Stock Exchange
ESG	Environmental, Social, and Governance
DIN	Director Identification Number
PAT	Profit After Tax
RVE	Registered Valuer Entity
PAN	Permanent Account Number
PBT	Profit Before Tax
ROC	Registrar of Companies



ABOUT THE VALUER



Sejal Ronak Agrawal is the **Director of Procurve Valux Private Limited** and heads the Valuation and Transaction Advisory practice of the firm. She is a distinguished valuation professional with extensive experience in business valuations, financial reporting valuations, and regulatory advisory assignments.

She holds the rare distinction of dual credentials as a **Certified Valuation Analyst (CVA) from NACVA, USA** and a **Registered Valuer (Securities & Financial Assets) registered with IBBI**, positioning her among a select group of professionals in India qualified to handle complex domestic as well as cross-border valuation engagements.

She has led valuations for fundraising, M&A, financial reporting, ESOPs, and regulatory compliance across multiple industries. Her core expertise includes fair value assessments, IND AS advisory, forensic accounting, and strategic financial insights.

Professional Qualifications & Certifications

- FCA – Fellow Member, Institute of Chartered Accountants of India
- CS – Company Secretary
- IP (IBBI) – Insolvency Professional registered with Insolvency and Bankruptcy Board of India
- RV (SFA) (IBBI) – Registered Valuer (Securities or Financial Assets)
- Social Auditor (NISM) – Certified Social Auditor
- FAFD (ICAI) – Forensic Accounting & Fraud Detection
- DISA (ICAI) – Diploma in Information Systems Audit
- Ind AS (ICAI) – Certificate Course on Indian Accounting Standards
- Concurrent Audit (ICAI) – Certified Concurrent Auditor
- ID (MCA-IICA) – Independent Director (Ministry of Corporate Affairs – IICA Databank)
- CVA (USA, NACVA) – Certified Valuation Analyst (USA)

Professional Recognition

She is frequently invited as a subject matter expert by premier professional bodies such as **ICAI IIP, ICSI-IIP** and many other to deliver technical sessions on valuation. Her approach emphasizes practical implementation of valuation standards in complex and cross-border transactions.

SECTION 1: EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Terms Of Engagement:

- We have been appointed to provide professional services in relation to determining the fair equity value of SYSTEMATIC INDUSTRIES LIMITED ("SIL" or "the Company" or "the Client") for the purpose of the proposed issue and allotment of equity shares by way of preferential allotment, for consideration in cash and consideration other than cash pursuant to the proposed share swap transaction. The valuation has been carried out in compliance with the applicable provisions of Sections 42 and 62(1)(c) of the Companies Act, 2013, read with Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, Regulation 163(3) & 164 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as applicable, and in accordance with the valuation guidelines prescribed under the International Valuation Standards.

Independence:

- The total fees, including the fee for this assignment earned from the instructing party are less than 5.0% of our total annual revenues. We have no association with the instructing party during the past five years.

Valuation Process Quality Control (IVS 100)

- The valuation process has been conducted with appropriate quality controls to ensure transparency, objectivity, and compliance with IVS 2025.

Environmental, Social, and Governance (ESG) Considerations (IVS 104)

- No formal ESG framework is in place; however, no material ESG factors were identified that impact the valuation as of the valuation date.

The use of valuation models and their validation

- No valuation software or third-party data models were used.

Any Special Assumptions Considered

- None

Particulars	Company Information
Company	SYSTEMATIC INDUSTRIES LIMITED
Corporate Identification Number (CIN)	L27320MH2000PLC125313
Relevant Industry	Electrical equipment industry
Net Worth as on 31.03.2026 (Provisional Financial Statements)	20,139.65 (Amount in INR Lakhs)
Base Valuation	Fair Value
Premise of Valuation	Going Concern
Valuation Approach	Income Approach, Cost Approach and Market Approach
Method for Valuation	Discounted Cash Flow Method, Market Price Method and Net asset method
Value Variation from Standard Assumptions	None



SECTION 2: SOURCES OF INFORMATION

SOURCES OF INFORMATION

Source of Information:

For the purpose of this valuation exercise, we have relied on the following sources of information as provided by the Client:

- Audited financial statements of SIL as on 31st March 2024, 31st March 2025 and 31st March 2026;
- Projected financial statements of the Company from 31st March 2027 to 31 March, 2031;
- Valuations report of Wire Brigade Industries Private Limited (WBPIIL)
- Shareholding pattern of company as on valuation date;
- Management Representation Letter (MRL).
- MOA, AOA, incorporation certificate and GST certificate of company.
- Management's estimate of Contingent liabilities as on the Valuation Date;
- Other relevant data and information provided to us by the Client/ Company, whether in oral or physical form or in soft copy, and discussions with the representatives of the Company, and
- Information available on the public domain / leading databases.

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SECTION 3: INDUSTRY & COMPANY BACKGROUND

BRIEF BACKGROUND OF THE INDUSTRY AND COMPANY

Brief Background of Industry:

- India's electrical equipment industry could witness significant expansion over the next decade, driven by rising domestic demand, rapid electrification, renewable energy deployment and growing export opportunities, according to a report by McKinsey & Company titled "Wired for Growth: India's Electrical Equipment Opportunity." The report estimates that domestic electrical equipment production could increase from nearly Rs. 4.42 lakh crore (US\$ 50 billion) in 2025 to Rs. 17.94-21.62 lakh crore (US\$ 195-235 billion) by 2035. Domestic consumption is projected to reach Rs. 15.64-18.86 lakh crore (US\$ 170-205 billion) by 2035, while exports could exceed Rs. 5.52 lakh crore (US\$ 60 billion), strengthening India's position as a global manufacturing and supply-chain hub. The industry is expected to expand at an annual rate of 11-13% through 2035, supported by sustained investments in power infrastructure, renewable energy, batteries, power electronics and industrial modernisation. The report noted that India has already demonstrated global competitiveness in sectors such as information technology services and auto components and has the potential to replicate similar success in electrical equipment manufacturing through a combination of policy support, innovation and entrepreneurship.

Company overview:

- Systematic Industries Limited was established in 2000 and is engaged in the manufacturing and transformation of steel wires and related wire products. The Company has developed significant production capabilities and caters to diverse sectors including Power & Transmission, Infrastructure, Automobile, Agriculture and Telecom.
- The Company's product portfolio includes steel wires, aluminium-clad steel wires, Optical Fiber Cables (OFC) and Optical Ground Wires (OPGW), primarily serving cable and conductor manufacturing requirements. It also undertakes customized wire solutions, surface treatments and specialized coatings based on customer and industry requirements.
- With a team of skilled professionals comprising engineers, metallurgists and business personnel, the Company focuses on product development, manufacturing capabilities and continuous technological advancement. Its operations are supported by a customer-oriented approach and a focus on delivering sustainable value to its stakeholders.



SECTION 4: COMPANY ASSESSMENT

COMPANY ASSESSMENT

Company Information	
CIN	L27320MH2000PLC125313
Company Name	SYSTEMATIC INDUSTRIES LIMITED
ROC Name	ROC Mumbai I
Registration Number	125313
Date of Incorporation	24/03/2000
Email Id	accounts@systematicltd.com
Registered Address	418, NIRMAL CORPORATE CENTRE, 4th FLOOR, L.B.S. MARG, MULUND (WEST), Mumbai City, Mumbai, Maharashtra, India, 400080
Listed in Stock Exchange(s) (Y/N)	Yes
Category of Company	Company limited by shares
Subcategory of the Company	Non-government company
Class of Company	Public
Authorised Capital (Rs)	25,00,00,000
Paid up Capital (Rs)	22,33,12,420

Share Capital of the Company as on Valuation Date:

Particulars	Amount in INR
Authorised	
2,50,00,000 Equity Shares of Rs. 10/- each	25,00,00,000
Total	25,00,00,000
Issued, Subscribed & Paid-Up	
2,23,31,242 Equity Shares of Rs. 10/- each	22,33,12,420
Total	22,33,12,420

Shareholding pattern of the company as on Valuation Date:

Equity Share Holder		
Sr. No	Name of Shareholders	No. of Shares
1	Promoter & Promoter Group	1,63,94,442
2	Public	59,36,800
	Total	2,23,31,242

The Board of Directors of the company as on Valuation Date:

Director/Signatory Details			
Sr. No	DIN/PAN	Name	Designation
1	01063343	SATYA RAJENDRA AGRAWAL	Director
2	00515410	SIDDHARTH RAJENDRA AGARWAL	Director
3	07335198	ARCHANA SURENDRA YADAV	Director
4	10827553	VIKAS NAVIN HEGDE	Director
5	01991242	GUNJAN MAHESH SABOO	Director



SECTION 5: PURPOSE, IDENTITY OF VALUER & EXTENT OF INVESTIGATION

PURPOSE, IDENTITY OF VALUER & EXTENT OF INVESTIGATION

PURPOSE OF VALUATION

Based on the discussions held with the Management and Key Managerial Personnel (KMPs) of the Company, the valuation assignment has been conducted for the purpose of determining the Value per Equity Share of SYSTEMATIC INDUSTRIES LIMITED (hereinafter referred to as the "Company") in connection with the proposed issue and allotment of equity shares by way of preferential allotment, for consideration in cash and consideration other than cash pursuant to the proposed share swap transaction. The valuation has been carried out in compliance with the applicable provisions of Sections 42 and 62(1)(c) of the Companies Act, 2013, read with Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, and Regulation 163(3) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as applicable, and in accordance with the valuation guidelines prescribed under the International Valuation Standards.

The Company is looking to assess its fair value for the proposed issue of Equity Shares through Preferential Allotment in accordance with Regulations 163(3), 164 and 166A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR"), using the latest available audited financial results as on 31/03/2026.

The proposed preferential issue, in aggregate, exceeds five percent of the post-issue fully diluted share capital of the issuer. However, no individual proposed allottee shall be allotted more than five percent of the post-issue fully diluted share capital of the issuer. Accordingly, the pricing of the Preferential Allotment of shares/securities of the Company shall be determined as the higher of:

- the price determined as per Regulation 164 of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018 or
- the price determined in accordance with the Valuation Report issued by an Independent Registered Valuer pursuant to Regulation 163(3) & 164 read with Regulation 166A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; or
- the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable.

For the purposes of determining the price in accordance with Regulation 164 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Equity Shares of the Company are frequently traded on the stock exchange, on the BSE platform, and accordingly, Regulation 164(1) is applicable.

APPOINTING AUTHORITY

The management of the **SYSTEMATIC INDUSTRIES LIMITED** appointed PROCURVE VALUX PRIVATE LIMITED (Registered Valuer Entity) for valuation of equity shares.

IDENTITY OF VALUER

For Procurve Valux Private Limited
CA Sejal Agrawal (Director)
Registered Valuer Entity - Securities & Financial Assets
Registration No. IBBI/RV-E/02/2025/218
Place: Ahmedabad

"We, Procurve Valux Private Limited, are a 'Registered Valuer Entity' under Section 247 of the Companies Act, 2013, and registered with the Insolvency and Bankruptcy Board of India (IBBI) under Rule 13(1) of the Companies (Registered Valuers and Valuation) Rules, 2017. This valuation has been conducted to the relevant provisions, rules, and standards prescribed under the Act and applicable regulatory framework."



PURPOSE, IDENTITY OF VALUER & EXTENT OF INVESTIGATION

EXTENT OF INVESTIGATION UNDERTAKEN

We have exercised due care in performing the valuation procedures, including the applicable of appropriate discount rates based on the risk profile of the business plan. However, we expressly state that, although we have reviewed the financial data for the purpose of this valuation, we have not conducted an audit and have relied on the historical and projected financial statements (P&L Account and Balance Sheet) prepared and submitted by the company's management. While we have conducted inspections and investigations within the scope of available information, a comprehensive verification of all assets and liabilities was not undertaken. The projections provided may not materialize as forecasted; however, the management has represented that due care was taken in preparing these financial forecasts, and they reflect a true and fair view of the expected business plan of the company.



SECTION 6: VALUATION METHODOLOGIES

VALUATION METHODOLOGIES

For determining the valuation base in relation to valuation of the Company, we have considered the International Valuation Standards 2025 issued by International Valuation Standards Council ("IVSC"). There are three generally accepted approaches to valuation:

- A) "Cost" Approach
- B) "Market" Approach
- C) "Income" Approach

Within these three basic approaches, several methods may be used to estimate the value. An overview of these approaches is as follows:

A) Cost Approach

The cost approach values the underlying assets of the business to determine the business value. This valuation method carries more weight with respect to holding companies than operating companies. Also, asset value approaches are more relevant to the extent that a significant portion of the assets are of a nature that could be liquidated readily if so desired.

Net Asset Value (NAV) Method

- This method, determines the value of an enterprise by calculating the aggregate fair market value of its total assets and subtracting all recorded and contingent liabilities.
- Under this methodology, the valuation is predicated on the current market worth of the entity's underlying components as of the valuation date, rather than its historical book value or future earning potential.
- This approach is particularly robust for asset-heavy industries, investment holding companies, or entities where the value is primarily derived from the ownership of tangible and intangible assets.

Replacement Cost Method

- Replacement Cost Method considers the cost of replacing an asset with a modern equivalent asset providing similar utility.

- The replacement cost is adjusted for physical deterioration and obsolescence to arrive at the depreciated replacement cost.
- This method is appropriate where the value of the business is primarily driven by its asset base rather than its earning capacity.

Reproduction Cost Method

- Reproduction cost is appropriate in circumstances such as the following:
 - the cost of a modern equivalent asset is greater than the cost of recreating a replica of the subject asset, or
 - the utility offered by the subject asset could only be provided by a replica rather than a modern equivalent.

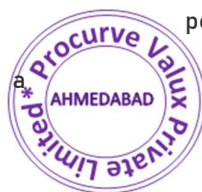
Summation Method

- 'Summation Method or Underlying Assets Method' is typically used for valuing investment companies or other type of assets or entities for which value is primarily a factor of the values of their holdings.
- The following key steps for valuing an entity under Summation Method –
 - value each of the component assets that are part of the subject asset using the appropriate valuation approaches and methods, and
 - add the value of the component assets together to reach the value of the subject asset.

B) Market Approach

Market Price Method

- Under this approach, the market price of an equity shares as quoted on a recognized stock exchange is normally considered as the fair value of the Equity share of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company.



VALUATION METHODOLOGIES

Comparable Companies Multiple Method

- Under the Comparable Companies Multiple ("CCM") method, the value is determined on the basis of multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.
- To the value of the business so arrived, adjustments need to be made for the value of contingent assets/liabilities, surplus Asset and dues payable to Preference Shareholders, if any, in order to arrive at the value for equity shareholders.

Comparable Transactions Multiple Method

- Under the Comparable Transactions Multiple ("CTM"), the value of a company can be estimated by analysing the prices paid by purchasers of similar companies under similar circumstances. This is a valuation method where one will be comparing recent market transactions in order to gauge current valuation of target company.

C) Income Approach

Free Cash Flow to Firm (FCFF)

- The FCFF method, often called the unlevered DCF, calculates the total cash flow available to all capital providers, including both equity shareholders and debt holders.
- It is determined by taking the Profit After Tax (PAT), adding back non-cash charges like depreciation and amortization, and then subtracting investments in working capital and capital expenditures.
- Discount rate is the Weighted Average Cost of Capital ("WACC"), based on an optimal vis-à-vis actual capital structure. It is appropriate rate of discount to calculate the present value of future cash flows as it considers equity-debt risk and also debt-equity ratio of the firm.

Free Cash Flow to Equity (FCFE)

- FCFE represents the cash flow remaining for shareholders after all financial obligations, including debt repayments and interest, have been satisfied.
- Unlike FCFF, this method explicitly accounts for the company's leverage by starting with the net income and adjusting for non-cash items, reinvestment needs, and the net borrowing (new debt issued minus debt repaid).
- Since this cash flow is specifically for equity holders, the appropriate discount rate is the Cost of Equity, derived from models like the Capital Asset Pricing Model (CAPM).

Adjusted Present Value (APV)

- The APV Method values a firm by separately determining the value of the unlevered business and the value of financing benefits, primarily the interest tax shield.
- The unlevered firm value is derived by discounting free cash flows at the unlevered cost of equity, while tax shields are discounted based on their associated risk.
- This method is superior when a company's capital structure is expected to change significantly, such as in a highly leveraged buyout where debt is paid down rapidly over time.

Dividend Discount Model (DDM)

- The Dividend Discount Model is a specialized DCF approach that views the value of a stock as the present value of all future dividends the company will pay to its shareholders.
- In this framework, the "cash flow" is the actual cash distributed to investors rather than the cash generated by the business operations.
- The most common version is the Gordon Growth Model, which assumes dividends will grow at a constant rate indefinitely. Because it relies on actual cash distributions, the DDM is best suited for large, mature companies with established dividend policies.



VALUATION METHODOLOGIES

Excess Earnings Method

- The Excess Earnings Method is a hybrid approach that combines elements of the Income and Asset-based approaches, often used to value intangible assets.
- It begins by identifying a fair rate of return on the firm's tangible assets (like machinery and real estate). Any earnings generated by the company above this "normal" return are considered excess earnings, which are attributed to intangible assets such as brand name, patents, or customer relationships.
- These excess earnings are then projected and discounted back to their present value.

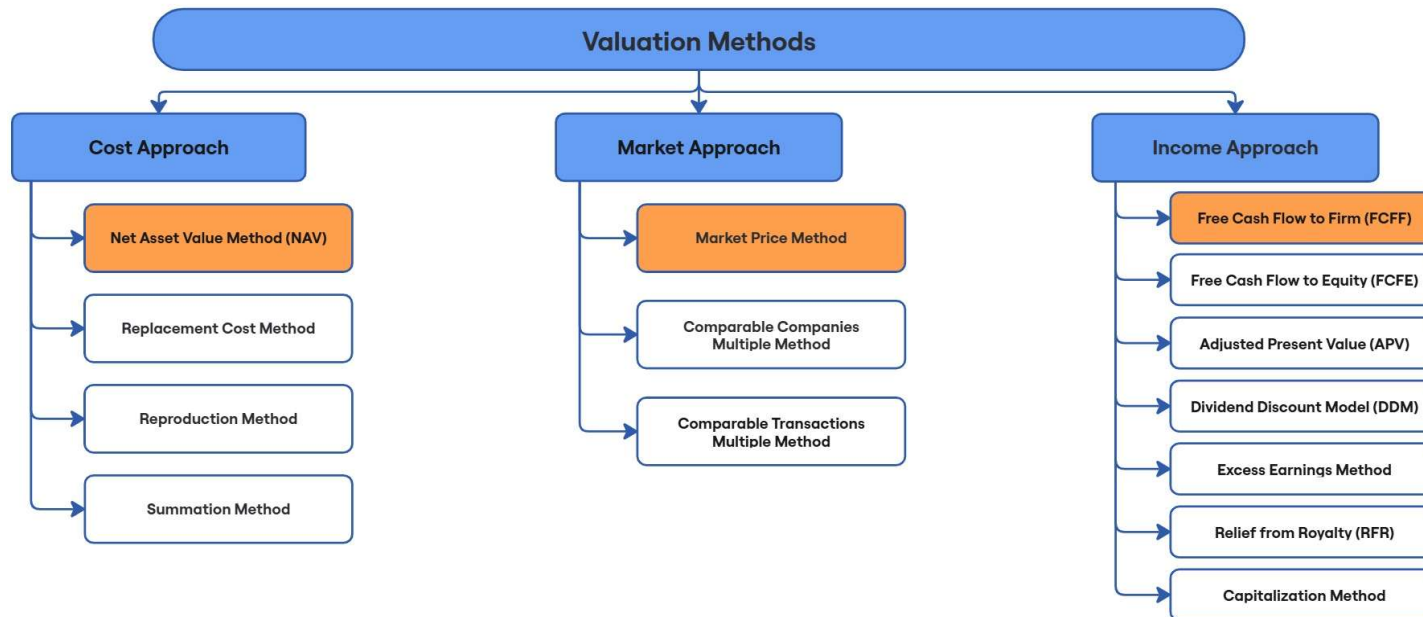
Relief from Royalty (RFR)

- The Royalty Relief Method is an income-based approach used to value intangible assets by estimating the present value of hypothetical royalty payments that would have been incurred if the asset were licensed from a third party.

- It assumes that ownership of the intangible asset relieves the entity from paying such royalties. The value is determined by applying an appropriate royalty rate to projected revenues and discounting the resultant cash flows to their present value.

Capitalization Method

- The Capitalization Method is an income-based approach used to value an asset by converting its maintainable earnings into a present value using an appropriate capitalization rate.
- It assumes that the asset will generate a stable and sustainable level of income over the foreseeable future. The value is determined by dividing the normalized earnings by the capitalization rate, reflecting the risk and expected return associated with the asset.



VALUATION METHODOLOGIES

Rationale for Valuation Approaches & Methodologies:

Asset Approach

Approach	The asset approach is a way of estimating value by looking at what someone owns and subtracting what they owe. It focuses on the total worth of assets—like property, equipment, or cash—after deducting liabilities. This method helps show the net value based on tangible resources rather than future income or performance.
Adopted	We have considered the Net Asset Method to calculate the fair equity value of the company by determining the fair market value of its assets and liabilities basis. This approach provides a valuation based on the company's net asset position, reflecting its financial strength and asset base.

Market Approach

Approach	The market approach estimates value by comparing an asset or business to similar ones that have been sold or are currently on the market. It assumes that fair value can be determined by looking at actual market transactions. This method relies on real-world pricing and reflects what buyers are willing to pay under current market conditions. It is most useful when good comparable data is available.
Adopted	In the instant case, we have considered the VWAP Basis [90/10 days] method of the market approach. The Volume Weighted Average Price (VWAP) method is commonly used to assess the fair market value of a company's shares based on actual trading prices over a defined period. By analyzing the VWAP over 90 and 10 days, this method ensures that short-term market fluctuations are smoothed out, providing a more accurate reflection of the company's market value. The market approach relies on real market transactions, making it a widely accepted valuation technique for publicly traded securities and ensuring a fair representation of investor sentiment

Income Approach

Approach	The income approach values an asset or business by analysing the future income it can produce and converting those earnings into a present value. It assumes that the higher the expected income, the greater the value. This method is widely used when cash flow generation is the main driver of worth, such as in profitable or growing businesses. It reflects earning potential rather than current assets.
Adopted	We have considered this methodology for calculation of fair equity value of the Company based on its cash flows. After considering its business plan, we have calculated the Enterprise value and then derived the Equity value by adjusting its debt, cash and cash equivalents and surplus assets on the date of valuation.



SECTION 7: VALUATION OF SIL

VALUATION OF SIL

We have considered appropriate weightage to all the three methods as discussed above and derived a value of equity share.

SYSTEMATIC INDUSTRIES LIMITED			
Valuation Approach			
	Value per share (INR)	Weight	Total Value (Weight x Price)
A. Net asset method (Annexure -2)	90.19	20%	18.04
B. Equity Valuation as per Market Approach [90/10 Days] (Annexure -1)	227.39	50%	113.69
C. Income Approach-[DCF] (Annexure -3)	168.29	30%	50.49
TOTAL		100%	182.2
Average Price Per Share(Rounded)	182.00		

1. DCF Method (Discounted Cash Flow):

The DCF method is a fundamental approach to valuation that estimates the present value of a company's future cash flows. Discounted Cash Flow Method under the Income Approach has been considered. For computing the Value of Shares using Income Method, we have adopted the Discounted Cash Flows (DCF) method. Discounted cash flow is one the most prominent methodology of valuation.

Assigning 30.00% weight to DCF is justified for the following reasons:

- DCF is a fundamental valuation method that focuses on the future cash flows of the company, providing a comprehensive and intrinsic view of its value.

- It considers the time value of money, providing a present value for future cash flows, making it a robust method for long-term investment analysis.

2. Cost Approach (Net Assets):

Assigning 20% weight to Net Assets is justified for the following reasons:

The Net Asset Value (NAV) method is assigned a minimal 20% weight to establish a baseline reflecting the Company's underlying tangible assets, including plant and machinery, inventory, working capital and other operating assets. As the Company operates in the Cable-Electrical industry, its overall value is also driven by its manufacturing capacity, product portfolio, customer base, distribution network, operational efficiency and future earning potential.

3. Market Approach (90 and 10 days):

Assigning 50% weight to Market Approach is justified for the following reasons:

The Market Approach has been assigned a 50% weightage considering the prevailing market conditions, industry-specific valuation multiples and observed trading levels of listed Cable-Electrical companies. The 90-day and 10-day market data provide a balanced basis by capturing both broader market trends and recent trading levels, thereby supporting a market-oriented and objective assessment of the Company's value.



VALUATION OF SIL

Pricing Summary for Preferential Allotment

Particulars	Regulatory Reference	Price per Share (Rs.)	Remarks
Minimum Issue Price (10/90 days)	Regulation 164(1) of SEBI ICDR Regulations, 2018	227.39	Formula-based price computed as on the Relevant Date (01/09/2026)
Valuation Price by Registered Valuer	Regulation 163(3) of SEBI ICDR Regulations, 2018	182.00	Applicable for allotment of shares in cash and consideration other than cash pursuant to the proposed share swap transaction.
Price to be Considered for Preferential Allotment	As per SEBI requirements	227.39	Higher of the two prices must be taken in case of difference

Since the valuation price under Regulation 163(3) (**Rs. 182.00**) is lower than the minimum price under Regulation 164(1) (**Rs. 227.39**), the **issue price for the proposed Preferential Allotment shall be Rs. 227.39 per share** to ensure full compliance with SEBI ICDR Regulations.



VALUATION OF SIL

Annexure -1

Date	WAP	No of Shares	Total Turnover
31-Aug-26	215.41	14400	3101880
28-Aug-26	217.38	6600	1434720
27-Aug-26	219.07	27600	6046320
26-Aug-26	223.70	57000	12750780
25-Aug-26	224.50	14400	3232800
24-Aug-26	225.83	34200	7723500
21-Aug-26	233.55	24600	5745360
20-Aug-26	233.15	30600	7134510
19-Aug-26	229.92	42600	9794460
18-Aug-26	232.11	71400	16572510
Total		3,23,400	7,35,36,840
VWAP of 10 Trading 'days			227.39

Date	WAP	No of Shares	Total Turnover
31-Aug-26	215.41	14400	3101880
28-Aug-26	217.38	6600	1434720
27-Aug-26	219.07	27600	6046320
26-Aug-26	223.70	57000	12750780
25-Aug-26	224.50	14400	3232800
24-Aug-26	225.83	34200	7723500
21-Aug-26	233.55	24600	5745360
20-Aug-26	233.15	30600	7134510
19-Aug-26	229.92	42600	9794460
18-Aug-26	232.11	71400	16572510
17-Aug-26	234.02	53400	12496860
14-Aug-26	230.41	34200	7880040
13-Aug-26	228.33	28800	6575760

12-Aug-26	220.48	83400	18388080
11-Aug-26	220.87	36600	8083680
10-Aug-26	215.39	68400	14732820
07-Aug-26	218.30	19200	4191270
06-Aug-26	221.06	37200	8223390
05-Aug-26	217.61	55200	12011910
04-Aug-26	212.50	67200	14280030
03-Aug-26	205.65	25800	5305830
31-Jul-26	202.65	29400	5957850
30-Jul-26	198.73	33600	6677430
29-Jul-26	195.26	26400	5154930
28-Jul-26	192.82	25800	4974660
27-Jul-26	187.98	16200	3045210
24-Jul-26	187.41	10800	2023980
23-Jul-26	192.39	13800	2654970
22-Jul-26	189.86	28800	5468040
21-Jul-26	188.60	3000	565800
20-Jul-26	189.78	15000	2846730
17-Jul-26	193.75	44400	8602590
16-Jul-26	184.41	52800	9736770
15-Jul-26	187.27	50400	9438450
14-Jul-26	179.82	8400	1510470
13-Jul-26	175.04	139200	24366150
10-Jul-26	170.53	17400	2967240
09-Jul-26	170.60	7800	1330650
08-Jul-26	175.81	11400	2004180
07-Jul-26	178.21	86400	15397440
06-Jul-26	181.42	123000	22315080
03-Jul-26	181.13	4200	760740
02-Jul-26	181.46	13200	2395290
01-Jul-26	183.12	9000	1648110

VALUATION OF SIL

30-Jun-26	183.27	9000	1649460
29-Jun-26	183.62	8400	1542420
25-Jun-26	186.76	2400	448230
24-Jun-26	187.50	22800	4274940
23-Jun-26	191.31	9600	1836540
22-Jun-26	192.07	33600	6453630
19-Jun-26	189.63	12600	2389290
18-Jun-26	192.25	13800	2653110
17-Jun-26	194.14	51600	10017780
16-Jun-26	185.35	27600	5115690
15-Jun-26	180.01	44400	7992390
12-Jun-26	188.85	25200	4758930
11-Jun-26	179.91	12600	2266830
10-Jun-26	177.14	37200	6589470
09-Jun-26	180.46	33600	6063360
08-Jun-26	186.66	13800	2575950
05-Jun-26	189.75	36000	6831000
04-Jun-26	192.92	22200	4282770
03-Jun-26	185.86	51600	9590460
02-Jun-26	186.20	232200	43235370
01-Jun-26	193.10	3600	695160
29-May-26	203.25	1800	365850
27-May-26	213.90	1200	256680
26-May-26	220.73	28200	6224640
25-May-26	213.15	46200	9847410
22-May-26	208.65	17400	3630480
21-May-26	206.93	32400	6704640
20-May-26	207.64	16800	3488340
19-May-26	207.48	6600	1369380

18-May-26	207.49	34800	7220610
15-May-26	214.28	37200	7971300
14-May-26	212.44	103800	22051500
13-May-26	221.15	43800	9686520
12-May-26	227.35	41400	9412170
11-May-26	230.89	31800	7342380
08-May-26	233.80	29400	6873660
07-May-26	234.15	53400	12503820
06-May-26	239.48	63600	15230700
05-May-26	238.39	35400	8438910
04-May-26	239.68	103200	24734610
30-Apr-26	237.98	251400	59827140
29-Apr-26	229.79	401400	92236200
28-Apr-26	209.62	229800	48170850
27-Apr-26	196.92	208800	41117010
24-Apr-26	190.74	26400	5035650
23-Apr-26	194.50	48600	9452460
Total		42,01,800	87,80,04,960
VWAP of 90 Trading 'days			208.96

VWAP Basis (90/ 10 Days)

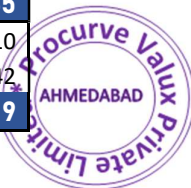
Particulars	Price (₹)
VWAP for the 10 trading days preceding the Relevant Date (A)	227.39
VWAP for the 90 trading days preceding the Relevant Date (B)	208.96
Minimum Price (Higher of A or B)	227.39



VALUATION OF SIL

Annexure -2

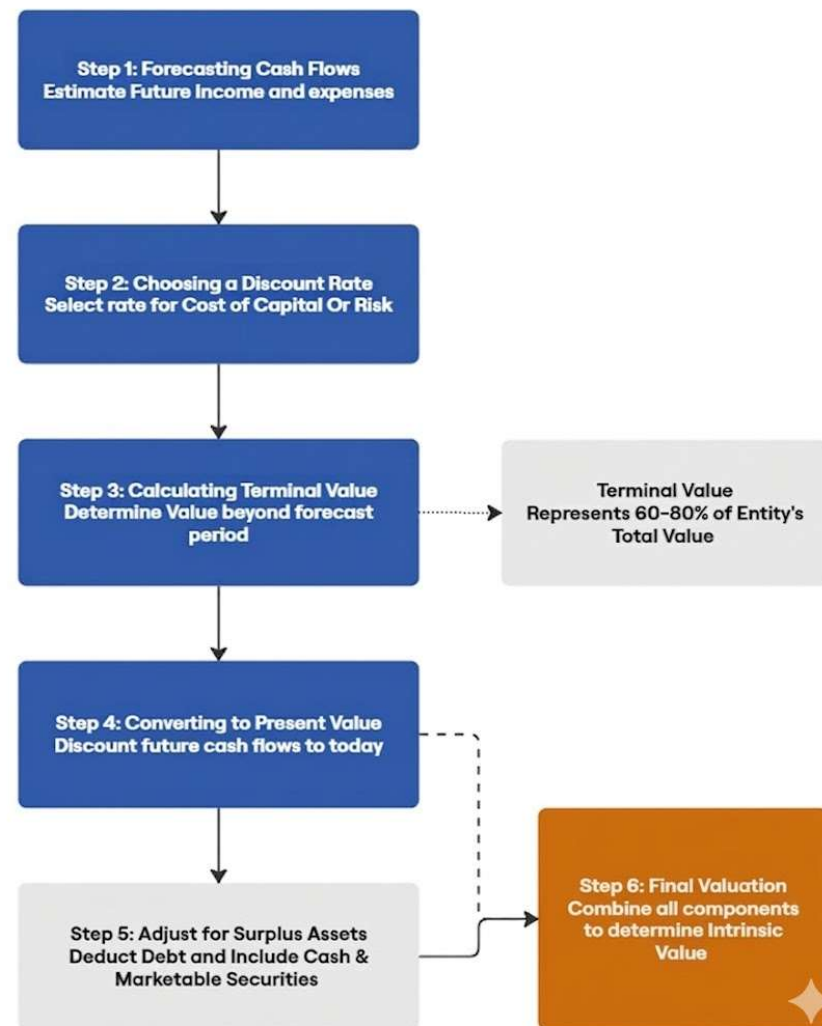
SYSTEMATIC INDUSTRIES LIMITED		
Book value as on 31/03/2026		
No.	Particulars	INR in Lakhs
A	Book value of all the assets (other than Shares & Securities, Immovable Properties/ Rights in the balance sheet	
	Non-Current Assets:	
1	Property, Plant & Equipment	5,781.91
2	Capital Work in Progress	188.67
3	Intangible Assets	0.71
4	long term loans & advances	84.67
	Total Non-Current Assets	6055.96
	Current Assets:	
1	Inventories	5,642.71
2	Trade Receivables	7,708.06
3	Cash & Cash Equivalents	1,293.84
4	Loans & Advances	1616.67
5	Other Current Assets	1,183.94
	Total Current Assets	17445.220
	Book Value of all the assets as reduced by specified items	23501.18
	Total	23501.18
B	Book Value of liabilities shown in the balance sheet, but not including the following amounts, namely;	23,501.18
1	The paid-up capital in respect of shares	2,233.12
2	Reserve and surplus	17,906.53
	Book value of all liabilities as reduced by specified items	3361.53
	A-B	20139.65
	The paid-up value of such equity shares (INR)	10
	Number of Shares outstanding as on date of valuation	2,23,31,242
	The Fair Market Value of Equity Shares	90.19



VALUATION OF SIL

DCF Assumptions:

- The valuation is based on financial projections provided by the Management for a defined future period, prepared on a going concern basis. The valuation has been carried out as of the specified valuation date.
- The Discounted Cash Flow (DCF) method under the Income Approach has been applied, using the Free Cash Flow to Firm (FCFF) methodology to determine the value of the business.
- Under this approach, projected free cash flows available to the firm have been discounted to their present value using an appropriate Weighted Average Cost of Capital (WACC), reflecting the overall risk profile of the business.
- The valuation incorporates the mid-year discounting convention, which assumes that cash flows are generated evenly throughout the year.
- The Enterprise Value has been derived based on the present value of cash flows during the explicit forecast period along with the terminal value representing the business beyond the projection horizon.
- The Enterprise Value has been adjusted for non-operating items, including cash and cash equivalents and outstanding debt, to arrive at the Equity Value.
- The resulting Equity Value has been used to determine the fair value per equity share of the Company.
- The projections and assumptions used in the valuation are based on information provided by the Management. Actual results may differ from these projections due to uncertainties and unforeseen events, and such differences may be material. No assurance is provided regarding the achievability of the projected financial results.



VALUATION OF SIL

Annexure -3

PARTICULARS	FY 27	FY 28	FY 29	FY 30	Terminal
			Perpetuity Growth Rate		3%
Cash Accrual Timing Factor	0.50	1.50	2.50	3.50	
PBT (Excluding Other Income)	3,498.68	5,460.53	7,281.64	9,989.83	
Tax @ 25.168%	930.88	1,437.23	1,832.64	2,514.24	
PAT	2,567.80	4,023.30	5,449.00	7,475.59	
Add Finance Cost	377.90	340.11	306.10	275.49	
Book Depreciation	878.19	890.37	851.33	786.20	
(Inc)/Dec in Working Capital	561.72	-3,071.94	-1,809.98	-2,293.30	
Operating Cash Flows	4,385.61	2,181.84	4,796.46	6,243.99	
(Inc)/Dec in Fixed Assets	-3,000.00	-1,000.00	-500.00	-200.00	
Free Cash Flows	1,385.61	1,181.84	4,296.46	6,043.99	47961.91
Discounting Factor	0.93	0.80	0.69	0.60	0.60
Present Value of Free Cash Flows	1,286.62	946.21	2,965.89	3,597.38	28,546.95



All Figures are in INR Lakhs (except No of Shares)

Figures in Brackets depict Negative Values

VALUATION OF SIL

Summary	Amount (In INR Lakhs)
Present Value of Total Discrete Period Cash Flows	8,796.10
Present Value of Terminal Cash Flows	28,546.95
Enterprise value (EV)	37,343.05
Less: Debt	996.29
Less: Deffered Tax Liabilities	59.18
Add: Cash & Cash Equivalent	1,293.84
Equity Value (In INR Lakhs)	37,581.42
Total No. of Shares Outstanding as on valuation date	2,23,31,242
Value per share (INR)	168.29
Value per share (INR) (Round off)	168.00



VALUATION OF SIL

Particulars	%	Explanation
Risk free rate (Rf)	6.95%	Considered of long-term Indian government bond rate as at valuation date derived from investing.com
Market Rate of Return (Rm)	15.21%	Market Return has been considered based on the long-term average returns earned by an equity investor investing in India corroborated by long term average returns of the BSE Sensex.
Equity Risk Premium	8.25%	Market Premium = Market Return – Risk Free Rate
Industry Beta... (β)	0.54	We have conservatively considered the average Beta of 0.54 for Electrical equipment from http://www.Damodaran.com website. We adjusted the Average levered beta from unlevered beta to account for the company's capital structure. Subsequently, we relevered the beta to reflect the company's capital structure, providing a comprehensive assessment of its risk profile within the context of valuation.
Cost of Equity (Ke)	11.39%	$Ke = Rf + \beta \times (Rm - Rf)$
Company Specific Risk Premium (unsystematic risk) (CSRP)	5.00%	We have given additional risk premium looking into company profile, financial structure and ROI investor will look into while investing in this type of company. This is also dependent upon the level of aggressiveness of the future cash flows and present scenario of the country and company environment in which it is operating.
Revised Cost of Equity (Ke)	16.40%	As per Modified CAPM model i.e. $[Ke = Rf + \beta(Rm - Rf) + CSRP]$
WACC	15.98%	$WACC = (Ke * \% \text{ Equity in Capital Structure}) + (\text{Cost of Debt} * \% \text{ Debt in Capital Structure} * (1 - \text{Tax Rate}))$
Growth Rate	3%	As the perpetuity growth rate assumes that the Company will continue its historic business and generate Free Cash Flows at a steady state forever. Since terminal value constitutes a major proportion of the entire value of the business, we while deciding the terminal growth rate have given emphasis to economic factors & financial factors like Inflation of the Country, GDP growth of the Country, Projected Financials, Historical Financial Position, Organic & Inorganic growth strategies of the Company, investment opportunity etc.

	As on 31/03/2026	Weight	Cost Of Resources	Tax Rate	WACC
Equity	20,139.65	95.29%	16.40%		15.63%
Debt	996.29	4.71%	10.00%	25.17%	0.35%
	21,135.94	100.00%			15.98%



VALUATION OF SIL

Valuation of SIL and Wire Brigade for Considering the Swap Ratio

As per Regulation 163(3), where specified securities are proposed to be issued on a preferential basis for consideration other than cash, such consideration shall comprise only swap of shares pursuant to a valuation report by an independent registered valuer, which is required to be submitted to the stock exchange(s) where the equity shares of the issuer are listed.

Particulars	Amount
Value per share of WB PIL (As per Valuation report dated 08th September, 2026)	RS. 21,500
Value per share of SIL (As per Valuation report dated 08th September, 2026)	RS. 227.39/-
Final Issue price of the Equity Shares to be allotted on preferential basis	Rs. 228/-

The proposed consideration for acquisition of 9,996 equity shares of Wire Brigade Industries Private Limited ("WB PIL") is proposed to be discharged by way of a share swap, whereby 9,42,600 equity shares of Systematic Industries Limited ("SIL") shall be issued and allotted to the transferor in exchange for the transfer of 9,996 equity shares of WB PIL. Accordingly, the consideration for the acquisition of the equity shares of WB PIL shall be settled by way of issuance and allotment of equity shares of SIL as consideration other than cash.

The proposed transaction is structured as a share swap, pursuant to which the transferor shall transfer 9,996 equity shares of WB PIL to SIL and, in consideration thereof, SIL shall issue and allot 9,42,600 equity shares to the transferor. For the purpose of the proposed share swap, the value of the equity shares of WB PIL has been considered at ₹21,500 per equity share, while the value of the equity shares of SIL has been considered at ₹228 per equity share. Accordingly, 9,42,600 equity shares of SIL are proposed to be issued and allotted to the transferor against the transfer of 9,996 equity shares of WB PIL.



SECTION 8: CAVEATS, LIMITATIONS & DISCLAIMERS

CAVEATS, LIMITATIONS & DISCLAIMERS

Restricted Audience

- This document has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our client is the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the client from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. I do not take any responsibility for the unauthorized use of this report.
- It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without our written consent. In the event the Client or the Management extend the use of the report beyond the purpose mentioned earlier in the report, with or without our consent, we will not accept any responsibility to any other party.

Limitation Clause

- The scope of the assignment did not include performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was used during the course of the work. Accordingly, we express no audit opinion or any other form of assurance on this information.
- During the course of our work, we have relied upon assumptions and projections related to the Company made by its management. These assumptions require exercise of judgment and are subject to uncertainties. Also, we have relied on the sources of information referred in relevant sections of the Report.
- We do not provide assurance on the achievability of the results forecast by the management as events and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected as the achievement of the forecast results is dependent on actions, plans and assumptions of management.
- The valuation of companies/business and assets is not a precise science and is based on the available facts and circumstances and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. Although every scientific method has been employed in systematically arriving at the value, there is, therefore, no indisputable single value. Whilst, we consider the valuation to be both reasonable and defensible based on the information available, others may place a different value.

- The actual market price achieved may be higher or lower than our estimate of value depending upon the circumstances of the transaction, the nature of the business. The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect actual market price achieved. Accordingly, our valuation conclusion will not necessarily be the price at which any agreement proceeds. The final transaction price is something on which the parties themselves have to agree. We also emphasize that our opinion is not the only factor that should be considered by the parties in agreeing the transaction price.

- Further, this Valuation Report is based on the extant regulatory environment and the financial, economic, monetary and business/market conditions, and the information made available to us or used by us up to, the date hereof, which are dynamic in nature and may change in future, thereby impacting the valuation of the Company. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this report and we shall not be obliged to update, review or reaffirm this report if the information provided to us changes. The information presented in this Valuation Report does not reflect the outcome of any due diligence procedures, which may change the information contained herein and, therefore, the Valuation Report materially.

- The client and its management to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the clients, their management and other third parties concerning the financial data, operational data and maintenance schedule of all plant-machinery-equipment-tools-vehicles, real estate investments and any other investments in tangible assets except as specifically stated to the contrary in the report. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the companies, their directors, employee or agents. We owe responsibility only to the client that has appointed us under the terms of the engagement letters.

- The report assumes that the company complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not reflected in the balance sheet provided to us.



CAVEATS, LIMITATIONS & DISCLAIMERS

- The valuation analysis in this Report should not be construed as investment advice; and we do not express any opinion on the suitability or otherwise of entering into any financial or other transactions with the Company.
- The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the valuation date.
- We have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources or reproduced in its proper form and context.
- The valuation report is tempered by the exercise of judicious discretion by the RV-E, taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the Balance Sheet but could strongly influence the value.
- We are fully aware that based on the opinion of value expressed in this report, we may be required to give testimony or attend court / judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law.

In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and our tendering evidence before such authority shall be under the applicable laws.

- We hereby confirm that we have no known present or contemplated interest in the subject company or asset being valued. There is no conflict of interest that would affect our ability to provide an independent and unbiased valuation. In the event any potential conflict arises during or after the course of this engagement, the same shall be disclosed promptly to the client. Our personnel have acted independently and impartially, and the fee for this engagement is not contingent upon the outcome of the valuation or any subsequent event.

- A draft of this Report was shared with the Client, prior to finalization of Report, as part of our standard practice to make sure that factual inaccuracy/omission are avoided in the Report.



Thank you

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