Registered Valuer – Securities & Financial Assets (IBBI)

Vaibhav Mandhana
Registered Valuer
Registration Number:
IBBI/RV/06/2020/13124

Report
on

Fair valuation
of
Equity Shares
of

Standard Engineering Technology Limited

Relevant date
11th July, 2026

Report Date
11th July, 2026

702(L), Hubtown Solaris,NS Phadke Marg, Andheri East, Mumbai 400069
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To,
The Board of Directors
Standard Engineering Technology Limited
D.12, Phase I, IDA, Jeedimetla
Hyderabad, Telangana- 500055

Dear Sir,

<u>Sub: Valuation report on determination of fair value of Equity Shares of Standard Engineering Technology Limited (“SETL” or “Company” or “Issuer Company”) for the proposed preferential issue of Equity Shares (“Proposed preferential issue”)</u>

Standard Engineering Technology Limited (“**SETL**” or “the **Company**” or “**Issuer Company**”) is an Indian Company listed on BSE Limited (“**BSE**”) & the NSE of India Limited (“**NSE**”).

The Company is proposing to issue and allot Equity Shares (“Proposed preferential issue”), at fair value on a preferential basis.

The equity shares of the Company are frequently traded as per provisions of Regulation 164(5) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“**ICDR Regulations”**).

The Articles of Association (“**AOA**”) of the Company does not categorically mention about the pricing of preferential issue.

We understand that the proposed preferential issue is not likely to result in a change in control of the Issuer Company. We also understand that the Proposed preferential issue is not more than five per cent of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, and as such, regulation 166A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**“**ICDR Regulations") is not triggered.

We further understand that the proposed preferential issue is to be made for consideration partly in cash and partly for consideration other than cash, by way of a share swap arrangement. Accordingly, pursuant to Regulation 163(3) of the ICDR Regulations, the consideration other than cash shall comprise only a swap of shares pursuant to a valuation report issued by an Independent Registered Valuer, which is required to be submitted to the stock exchange(s) where the equity shares of the Issuer Company are listed.

Accordingly, although Regulation 166A of the ICDR Regulations is not triggered, the present valuation report has been prepared pursuant to the requirements of Regulation 163(3) of the ICDR Regulations for the purpose of determining the fair value of the equity shares in connection with the proposed preferential issue for consideration other than cash.

As such, the valuation of the Equity Shares proposed to be issued by the Company has been carried out in accordance with the applicable provisions of the SEBI (Issue of

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

Capital and Disclosure Requirements) Regulations, 2018, including Regulations 163(3) and 164, and other applicable provisions thereof, as well as the applicable provisions of the Foreign Exchange Management Act, 1999 read with the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, and the rules and regulations made thereunder.

In this regard, the Company has engaged ***FCA Vaibhav Mandhana,*** *a* ***Chartered Accountant (ICAI Membership No: 142514)*** and ***an Independent Valuer***, , in his capacity as a ***Registered Valuer*** under the category of ***Securities or Financial Assets,*** registered with the Insolvency and Bankruptcy Board of India ("IBBI*"), **IBBI Registration No. IBBI/RV/06/2020/13124*** ("Valuer" or "I"), as defined in Regulation 2(kkk) of ICDR Regulations, to report on the fair equity valuation of the Company for the proposed preferential issue, as of the relevant date, in accordance to the applicable ICDR Regulations.

In terms of the provisions of Chapter V of the ICDR Regulations, applicable relevant date for the Preferential Issue of the Equity Shares is as under (Date of shareholders Meeting- 10th August, 2026, Relevant date- 11th July, 2026 and Date preceding relevant date- 10th July, 2026) -

<u>Relevant date as per Regulation 161(a) of ICDR</u>	
Date on which the meeting of shareholder in which preferential issue of Equity Shares proposes to be approved	**Monday, August 10th, 2026**
Relevant date - Thirty days prior to the date of meeting of shareholders propose to be held to consider the proposed preferential issue	**Saturday, July 11th, 2026**
Date preceding the relevant date	**Friday, July 10th, 2026**

Note- In terms of Regulation 161 of the SEBI ICDR Regulations, the "Relevant Date" for determining the floor price is July 11, 2026, being the date 30 (thirty) days prior to the date of the EGM scheduled to be held on August 10, 2026. Since July 11, 2026 falls on a trading holiday, the Relevant Date for the purpose of pricing under Regulation 164 of the SEBI ICDR Regulations is July 10, 2026, being the immediately preceding trading day.

Please find enclosed herewith our narrative report containing our valuation analysis and valuation conclusions.

Thanking You,

Yours faithfully

VAIBHAV MANDHANA REG. NO. IBBI/RV/06/ 2020/13124 REGISTERED VALUER

CA Vaibhav Mandhana

Registered Valuer – Securities or Financial Assets

IBBI Reg. No. IBBI/RV/06/2020/13124 Date:11th July, 2026

UDIN:26142514EBQLWA1621 Place; Mumbai

Contents

Abbreviations forming part of the Report

BSE	- BSE Ltd (Bombay Stock Exchange)
NSE	- National Stock Exchange
QE	- Quarter ended
FY	- Financial Year
FYE	- Financial Year ended
INR	- Indian Rupee
Lacs	- Lakhs
IBBI	- The Insolvency and Bankruptcy Board of India
ICAI	- The Institute of Chartered Accountants of India
IVS	- ICAI Valuation Standards
RV(SFA)	- Registered Valuer (Securities & Financial Assets)
UDIN	- Unique Document Identification number.
Relevant date	- 11th July, 2026
EGM	- Meeting of shareholders
SEBI	- The Securities & Exchange Board of India
ICDR	- Issue of Capital and Disclosure Requirements
Company	- Standard Engineering Technology Limited
ICDR Regulations	- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
P/E Multiple	- Price to Earnings Multiple
P/B Multiple	- Price to Book Multiple
EPS	- Earnings Per share
PE	- Period ended
HYE	- Half year ended
TTM	- Twelve months trailing
Management	- Authorised personnel of the Company
AOA	- Articles of Association of the Company
Comps	- Listed Indian Comparable Companies
NAV	- Net Asset Value
ANAV	- Adjusted Net Asset Value
CCM	- Comparable Companies Multiple
DCF	- Discounted Cash Flow

Engagement Background and purpose of valuation

Standard Engineering Technology Limited ("SETL" or "the Company" or "Issuer Company") is an Indian Company listed on the BSE Limited ("BSE") and NSE of India Limited ("NSE").
The Company is proposing to issue Equity Shares on a preferential basis ("Proposed Preferential Issue") at a price to be determined based on the fair value of the equity shares in accordance with the applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

The Equity Shares of the Company are frequently traded as per provisions of Regulation 164(5) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations"**).
The Articles of Association ("**AOA**") of the Company does not categorically mention about the pricing of preferential issue.

We understand that the proposed preferential issue is not likely to result in a change in control of the Issuer Company. We also understand that the Proposed preferential issue is not likely to result in allotment of more than five per cent of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, and as such, regulation 166A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**"**ICDR Regulations") is not triggered.

We further understand that the proposed preferential issue is to be made for consideration partly in cash and partly for consideration other than cash, by way of a share swap arrangement. Accordingly, pursuant to Regulation 163(3) of the ICDR Regulations, the consideration other than cash shall comprise only a swap of shares pursuant to a valuation report issued by an Independent Registered Valuer, which is required to be submitted to the stock exchange(s) where the equity shares of the Issuer Company are listed.
Accordingly, although Regulation 166A of the ICDR Regulations is not triggered, the present valuation report has been prepared pursuant to the requirements of Regulation 163(3) of the ICDR Regulations for the purpose of determining the fair value of the equity shares in connection with the proposed preferential issue for consideration other than cash.

As such, the valuation of the Equity Shares proposed to be issued by the Company has been carried out in accordance with the applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, including Regulations 163(3) and 164, and other applicable provisions thereof, as well as the applicable provisions of the Foreign Exchange Management Act, 1999 read with the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, and the rules and regulations made thereunder.

In this regard, the Company has engaged ***FCA Vaibhav Mandhana,*** *a* ***Chartered Accountant (ICAI Membership No: 142514)*** and ***an Independent Valuer,*** in her capacity as a ***Registered Valuer***"); under the category of ***Securities or Financial Assets,*** registered with the Insolvency and Bankruptcy Board of India ("IBBI***s, IBBI Registration No. IBBI/RV/06/2020/13124*** ("Valuer" or "I"), as defined in Regulation 2(kkk) of ICDR Regulations, to report on the fair equity valuation of the Company for the proposed preferential issue, governed by Engagement letter dated 8th July, 2026.
This valuation report is our deliverable for this engagement.

VAIBHAV MANDHANA REG. NO. IBBI/RV/06/ 2020/13124 REGISTERED VALUER

Base and premise of Valuation

For the purpose of arriving at the valuation of fair value of Equity Shares of Company, I have considered the valuation base as "Fair Market Value". My valuation and this report are based on the premise of "Going Concern". Any change in the valuation base or premise could have a significant impact on my valuation exercise and therefore, this valuation report.

Disclosure of Valuer Interest

I have no present or prospective contemplated financial interest in Company, and I have no personal interest with respect to the Promoters & Board of Directors of Company. I have no bias/prejudice with respect to any matter that is the subject of the valuation report or to the parties involved with this engagement.

VAIBHAV MANDHANA
REG. NO. IBBI/RV/06/2020/13124
REGISTERED VALUER

General Overview of the Company

Standard Engineering Technology Limited ("SETL" or "the Company" or "Issuer Company") is a public company domiciled in India. Its Corporate Identity Number (CIN) is L29220TG2012PLC082904. The registered office of the Company is located at D.12, Phase I, IDA, Jeedimetla, Hyderabad- 500055, Telangana.

Standard Engineering Technology Limited is engaged in the design, engineering, manufacture, and supply of precision engineering equipment and turnkey process solutions for the pharmaceutical, chemical, biotechnology, food and beverage, and other process industries. The Company manufactures a wide range of process equipment, including glass-lined equipment, reactors, storage tanks, heat exchangers, filtration systems, and allied engineering products, and also undertakes turnkey engineering projects from design through commissioning.

The Company has its Equity Shares listed on BSE Limited("BSE") and the NSE of India Limited ("NSE").

The Articles of Association("AOA") of the Company do not categorically mention about the pricing of preferential issue.

Capital Structure as of the relevant date

Details of Authorised Share Capital of the Company		
Type of security	**Number of shares**	**Share Capital**
		INR Lacs
Equity	21,60,00,000	21,600.00
Total	**21,60,00,000**	**21,600.00**
Source: Management		

Share holding pattern as on 31.03.2026

Shareholding pattern	
Particulars	**No of shares held**
Promoter and Promoter Group	12,06,33,078
Public	7,88,58,584
ESOP**	6,00,000
Total	**20,00,91,662**

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

Historical Financial Information Overview

Statement of Net worth

Particulars	**Unit**	**As at 31/03/26 Audited**	**As at 31/03/25 Audited**
Share Capital	INR Lakhs	19,949.16	19,949.16
Other Equity	INR Lakhs	43,877.26	39,640.69
Net Worth	INR Lakhs	63,826.42	59,589.85
Source: Latest published Audited Standalone Financials available in public domain as of date of Valuation report.			

Statement of Profit and Loss Account

Particulars	**Unit**	**As at 31/03/26 Audited**	**As at 31/03/25 Audited**
Revenue from Operations	INR Lakhs	25,866.52	19,631.32
Profit (Loss)	INR Lakhs	4,108.72	2,864.61
Source: Latest published Audited Standalone financials available in public domain as of date of Valuation report.			

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

Valuation Approaches and Methodologies

The equity shares of the Company have been valued in accordance with the generally accepted valuation principles and internationally accepted valuation methodologies for the purpose of determining the fair value of the equity shares in connection with the proposed preferential issue for consideration other than cash (share swap) pursuant to Regulation 163(3) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations"). We have considered the ICAI Valuation Standards 2018 ("IVS") as issued by the Institute of Chartered Accountants of India as well as other International Valuation Standards.

For the valuation, the commonly used and accepted methods, to the extent relevant and applicable, are as under:

1. Net Asset Value ("NAV") method under Asset approach
2. Price Earning Capacity Value (PECV) method under Income approach
3. Market Price ("MP") method under the Market approach

It should be understood that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic condition, many of which are beyond the control of the Companies. In addition, this valuation will fluctuate with changes in prevailing market condition, the condition and prospects, financial and otherwise, of the Companies, and other factors which generally influence the valuation of companies and their assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Asset Approach - Net Asset Value (NAV)

The Net Asset Value method represents the value with reference to historical cost of assets owned by the Company and the attached liabilities on particular date. Net assets will be calculated starting from the total assets of the Company and deducting there from all debts, borrowing and liabilities, including current and likely contingent liability and preference capital if any. In other words, it should represent the true net worth of business after providing for all outside present and potential liabilities. In the case of companies, the net assets value calculated from the assets side of the balance sheet in the above manner will be cross-checked with equity share capital plus free reserves and surplus, less likely contingent liabilities.

Refer **Annexures** for the detailed working of Net Asset Value.

Income Approach - Profit Earning Capacity Value ("PECV")

The PECV method focuses on the post income generated by the Company as well as the future earning capability of the business enterprise. The PECV method requires the determination parameters, which are relevant to the Company whose shares are being valued. These are (i) the 'future maintainable profits', (ii) the 'appropriate income tax rate' and (iii) the 'expected rate of return'. The value is determined by capitalizing the future maintainable profits (net of tax) by the expected rate of return.

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

The crux of estimating the profit-earning capacity value lies in the assessment of the future maintainable earnings of the business. While the past trends in profits and profitability would serve as a guide, it should not be overlooked that valuation is for the future and that is the future maintainable stream of earnings that is of greater significance in the process of valuation. All relevant factors that have a bearing on the future maintainable earnings of the business must, therefore, be given due consideration.

Based on discussions with the Company and our independent research, we understand that there are listed companies which can be considered to be closely comparable to the business of the Company. Hence, we have used this method in the present valuation exercise to value the business of the Company.

Refer **Annexures** for the detailed working of PECV method.

<u>Market Price ("MP") Method under Market approach:</u>

The Company has its equity shares listed on BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

We understand that the proposed preferential issue is being undertaken for consideration comprising cash as well as consideration other than cash, with the non-cash consideration being discharged by way of a share swap arrangement. Accordingly, pursuant to Regulation 163(3) of the ICDR Regulations, the consideration other than cash shall comprise only a swap of shares pursuant to a valuation report issued by an Independent Registered Valuer.

Since the equity shares of the Company are frequently traded within the meaning of Regulation 164(5) of the ICDR Regulations, the pricing framework prescribed under Regulation 164 has also been considered while determining the fair value under the Market Price Method.

Regulation 164(5) of the ICDR Regulations defines "Frequently Traded Shares" as shares of the issuer in which the traded turnover on any recognised stock exchange during the 240 trading days preceding the relevant date is at least ten per cent of the total number of shares of such class of the issuer.

The equity shares of the Company are listed on both BSE and NSE. Based on the trading volumes during the 90 trading days preceding the relevant date, NSE is the Relevant Stock Exchange for the purpose of Regulation 164 of the ICDR Regulations.

In terms of Regulation 161 of the SEBI ICDR Regulations, the "Relevant Date" for determining the floor price is July 11, 2026, being the date 30 (thirty) days prior to the date of the EGM scheduled to be held on August 10, 2026. Since July 11, 2026 falls on a trading holiday, the Relevant Date for the purpose of pricing under Regulation 164 of the SEBI ICDR Regulations is July 10, 2026, being the immediately preceding trading day.

Accordingly, the higher of the volume weighted average price ("VWAP") of the equity shares for the 90 trading days and the 10 trading days preceding the Relevant Date has been considered while determining the fair value of the equity shares under the Market Price Method.

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

Relevant workings for determination of the Fair Value under ICDR Regulations are detailed in **Annexure**, below –

Annexure	**Fair Valuation of the Company using the Market Price Method**			
Relevant Date	**11th July, 2026**			
Particulars	**Annexure Reference**	**Unit**	**Total Volume of Shares Traded**	**Price INR**
Volume weighted average price ("VWAP") of 90 exchange trading days preceding the relevant date	A(i)	INR Per Share	6,50,09,566	200.75
Volume weighted average price ("VWAP") of 10 exchange trading days preceding the relevant date	A(ii)	INR Per Share	2,80,45,849	257.23
Higher of the Above i.e.				**257.23**

Volume weighted average price ("VWAP") of 90 exchange trading days preceding the relevant date is detailed in **Annexure A(i).**

Volume weighted average price ("VWAP") of 10 exchange trading days preceding the relevant date is detailed in **Annexure A(ii).**

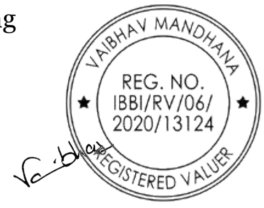
Based on our valuation exercise, Fair Value of the Equity Shares is as under:

Valuation Approaches	**Value Per Share**	**Weight**	**Weightage Price**
Asset Approach	39.42	0%	0
Income Approach	234.50	0%	0
Market Approach	257.23	100%	257.23
Weighted Average Value Per Share (in INR)			**257.23**

VAIBHAV MANDHANA
REG. NO. IBBI/RV/06/2020/13124
REGISTERED VALUER

Approach	Method	Selection	Rationale for Selection
Asset Approach	NAV Method	-	The asset-based value analysis technique is based on the value of the underlying net assets of the business, either on a book value basis, realizable value basis or replacement cost basis. This value analysis approach is mainly used in case the entity is to be liquidated, i.e. it does not meet the "going concern" criteria or in the case where the asset base dominates earnings capability. It is also used where the main strength of the business is its asset backing rather than its capacity or potential to earn profits. Since the Company presently operates as a going concern and would continue to do so for the foreseeable future and NAV does not value the future profit-generating ability of the business, we have used 0% weightage to arrive at the equity value of the Company.
Income Approach	Income Method	-	The Income Approach is generally applied where shares are unlisted or infrequently traded, and there is no transparent market-based pricing mechanism. The Company's equity shares are listed and frequently traded on the NSE, where the market price reflects investors' collective assessment of earnings, risks, and growth potential. Applying an earnings-based approach alongside the market approach would duplicate the valuation of earnings potential, which is already factored into the market price. Also, as per SEBI ICDR Regulations, for frequently traded shares, the market price is the prescribed benchmark for preferential issue pricing. Therefore, we have assigned 0% weightage to the Income based approach in arriving at the value of the Company.
Market Approach	Market Price Method	Selected	Hundred percent weight has been placed on the Market Price Method prescribed under Regulation 164 of SEBI ICDR Regulations, as the Company is listed, and market prices are considered to be the most reliable indicator of fair value in such cases, reflecting investors' consensus on the Company's value. Further, the value under the Market Price Approach as per Regulation 164 of SEBI ICDR Regulations is the highest, we have given 100% weightage to the Market Price Approach.

*Refer Annexure for Working



Annexure A(i)- Volume weighted average price ("VWAP") of 90 exchange trading days preceding the relevant date.

Annexure A(ii)-	Day wise trading volume for 90 exchange trading days prior to the relevant date from the date of listing				
Relevant Stock exchange					
Day's Number	**Name of the company**	**Day of the week**	**Date**	**Daily Turnover (INR)**	**No of shares traded during the day**
1	SETL	Tuesday	24-Feb-26	1,77,45,980	1,43,318
2	SETL	Wednesday	25-Feb-26	1,36,23,784	1,10,372
3	SETL	Thursday	26-Feb-26	1,48,22,472	1,20,140
4	SETL	Friday	27-Feb-26	1,81,09,647	1,46,613
5	SETL	Monday	02-Mar-26	3,94,05,476	3,22,275
6	SETL	Wednesday	04-Mar-26	1,91,89,161	1,60,644
7	SETL	Thursday	05-Mar-26	2,19,98,479	1,85,530
8	SETL	Friday	06-Mar-26	5,70,09,706	4,72,118
9	SETL	Monday	09-Mar-26	2,20,01,356	1,86,781
10	SETL	Tuesday	10-Mar-26	6,36,13,517	5,22,201
11	SETL	Wednesday	11-Mar-26	2,68,01,843	2,14,392
12	SETL	Thursday	12-Mar-26	1,39,24,075	1,14,212
13	SETL	Friday	13-Mar-26	2,93,32,419	2,49,383
14	SETL	Monday	16-Mar-26	2,50,88,027	2,18,240
15	SETL	Tuesday	17-Mar-26	1,85,59,216	1,59,081
16	SETL	Wednesday	18-Mar-26	2,73,60,298	2,29,639
17	SETL	Thursday	19-Mar-26	3,46,40,821	2,95,610
18	SETL	Friday	20-Mar-26	2,63,09,894	2,22,573
19	SETL	Monday	23-Mar-26	3,05,76,419	2,73,753
20	SETL	Tuesday	24-Mar-26	4,27,13,180	3,70,287
21	SETL	Wednesday	25-Mar-26	3,24,20,454	2,75,527
22	SETL	Friday	27-Mar-26	7,10,04,963	6,39,033
23	SETL	Monday	30-Mar-26	26,27,80,163	24,77,008
24	SETL	Wednesday	01-Apr-26	7,66,47,802	6,50,642
25	SETL	Thursday	02-Apr-26	4,73,75,424	3,84,143
26	SETL	Monday	06-Apr-26	2,67,52,969	2,13,562
27	SETL	Tuesday	07-Apr-26	1,79,30,935	1,41,852
28	SETL	Wednesday	08-Apr-26	5,01,01,288	3,72,932
29	SETL	Thursday	09-Apr-26	2,44,01,126	1,82,760
30	SETL	Friday	10-Apr-26	2,62,05,519	1,97,058
31	SETL	Monday	13-Apr-26	1,97,84,955	1,50,500
32	SETL	Wednesday	15-Apr-26	1,87,28,326	1,38,947
33	SETL	Thursday	16-Apr-26	1,45,38,375	1,07,832
34	SETL	Friday	17-Apr-26	3,24,79,291	2,38,189
35	SETL	Monday	20-Apr-26	2,19,21,014	1,60,373
36	SETL	Tuesday	21-Apr-26	2,59,57,115	1,88,736
37	SETL	Wednesday	22-Apr-26	1,72,28,532	1,25,611
38	SETL	Thursday	23-Apr-26	2,95,55,905	2,12,777
39	SETL	Friday	24-Apr-26	1,81,63,720	1,31,977
40	SETL	Monday	27-Apr-26	2,04,47,532	1,48,745

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

41	SETL	Tuesday	28-Apr-26	3,58,58,334	2,52,435
42	SETL	Wednesday	29-Apr-26	1,64,27,148	1,15,994
43	SETL	Thursday	30-Apr-26	1,23,37,821	88,596
44	SETL	Monday	04-May-26	1,93,46,515	1,37,992
45	SETL	Tuesday	05-May-26	96,93,686	70,236
46	SETL	Wednesday	06-May-26	2,12,56,051	1,52,454
47	SETL	Thursday	07-May-26	2,48,34,359	1,73,873
48	SETL	Friday	08-May-26	1,67,15,260	1,18,304
49	SETL	Monday	11-May-26	2,27,64,675	1,64,227
50	SETL	Tuesday	12-May-26	1,51,94,854	1,13,007
51	SETL	Wednesday	13-May-26	1,87,30,088	1,39,559
52	SETL	Thursday	14-May-26	5,80,50,442	4,26,387
53	SETL	Friday	15-May-26	4,32,67,090	3,16,442
54	SETL	Monday	18-May-26	3,21,68,796	2,41,439
55	SETL	Tuesday	19-May-26	1,29,82,496	94,860
56	SETL	Wednesday	20-May-26	2,59,29,547	1,94,111
57	SETL	Thursday	21-May-26	1,95,10,653	1,45,785
58	SETL	Friday	22-May-26	1,50,51,359	1,13,424
59	SETL	Monday	25-May-26	4,67,33,269	3,47,702
60	SETL	Tuesday	26-May-26	3,31,14,956	2,41,995
61	SETL	Wednesday	27-May-26	6,84,16,789	4,81,327
62	SETL	Friday	29-May-26	6,10,90,025	4,49,075
63	SETL	Monday	01-Jun-26	6,50,74,505	4,68,220
64	SETL	Tuesday	02-Jun-26	2,66,52,276	1,90,191
65	SETL	Wednesday	03-Jun-26	1,39,66,328	1,00,933
66	SETL	Thursday	04-Jun-26	1,59,34,939	1,15,174
67	SETL	Friday	05-Jun-26	56,30,23,810	36,67,942
68	SETL	Monday	08-Jun-26	9,63,36,709	6,26,803
69	SETL	Tuesday	09-Jun-26	3,42,78,902	2,21,384
70	SETL	Wednesday	10-Jun-26	3,73,46,058	2,40,732
71	SETL	Thursday	11-Jun-26	5,21,07,254	3,38,304
72	SETL	Friday	12-Jun-26	6,13,51,344	3,86,809
73	SETL	Monday	15-Jun-26	19,49,26,424	11,59,383
74	SETL	Tuesday	16-Jun-26	17,51,00,701	10,00,756
75	SETL	Wednesday	17-Jun-26	8,92,70,352	5,20,664
76	SETL	Thursday	18-Jun-26	20,59,17,655	11,48,712
77	SETL	Friday	19-Jun-26	20,52,56,469	11,12,956
78	SETL	Monday	22-Jun-26	46,87,25,672	23,88,930
79	SETL	Tuesday	23-Jun-26	40,92,26,347	19,68,988
80	SETL	Wednesday	24-Jun-26	1,07,54,75,389	48,72,246
81	SETL	Thursday	25-Jun-26	1,49,58,30,105	67,79,809
82	SETL	Monday	29-Jun-26	78,06,58,431	34,14,561
83	SETL	Tuesday	30-Jun-26	41,79,30,979	16,44,923
84	SETL	Wednesday	01-Jul-26	1,61,04,15,850	58,05,500
85	SETL	Thursday	02-Jul-26	74,49,18,100	25,30,686
86	SETL	Friday	03-Jul-26	60,74,49,815	21,00,597
87	SETL	Monday	06-Jul-26	50,15,45,819	18,59,326
88	SETL	Tuesday	07-Jul-26	46,30,72,147	17,13,344
89	SETL	Wednesday	08-Jul-26	34,95,99,504	13,15,183

VAIBHAV MANDHANA REG. NO. IBBI/RV/06/2020/13124 REGISTERED VALUER

90	SETL	Thursday	09-Jul-26	24,28,89,308	8,81,920
Total				**13,05,10,06,586**	**6,50,09,566**
VWAP of 90 exchange trading days volume weighted average price ("VWAP") preceding the relevant date					**200.75**

VAIBHAV MANDHANA
REG. NO. IBBI/RV/06/2020/13124
REGISTERED VALUER

Annexure A(ii) - Volume weighted average price ("VWAP") of 10 exchange trading days preceding the relevant date

Annexure A(iii)-	Day wise trading volume for 10 exchange trading days prior to the relevant date from the date of listing				
Relevant Stock exchange					
Day's Number	**Name of the company**	**Day of the week**	**Date**	**Daily Turnover (INR)**	**No of shares traded during the day**
1	SETL	Thursday	25-Jun-26	1,49,58,30,105	67,79,809
2	SETL	Monday	29-Jun-26	78,06,58,431	34,14,561
3	SETL	Tuesday	30-Jun-26	41,79,30,979	16,44,923
4	SETL	Wednesday	01-Jul-26	1,61,04,15,850	58,05,500
5	SETL	Thursday	02-Jul-26	74,49,18,100	25,30,686
6	SETL	Friday	03-Jul-26	60,74,49,815	21,00,597
7	SETL	Monday	06-Jul-26	50,15,45,819	18,59,326
8	SETL	Tuesday	07-Jul-26	46,30,72,147	17,13,344
9	SETL	Wednesday	08-Jul-26	34,95,99,504	13,15,183
10	SETL	Thursday	09-Jul-26	24,28,89,308	8,81,920
Total				**7,21,43,10,058**	**2,80,45,849**
VWAP of 10 exchange trading days volume weighted average price ("VWAP") preceding the relevant date					**257.23**

VAIBHAV MANDHANA
REG. NO. IBBI/RV/06/2020/13124
REGISTERED VALUER

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Annexure A(iii) – Net Asset Value Method as on 31st March, 2026 as per Consolidated Financials Statement

Particulars	Amount (₹ in Lakhs)
ASSETS	
Non-Current Assets	
Property, Plant & Equipment	12,869.28
Capital Work-in-Progress	2,659.46
Goodwill	3,034.95
Right-of-use Assets	2,206.56
Other Intangible Assets	158.88
Other Financial Assets	1,098.11
Other Non-current Assets	1,514.16
Total Non-Current Assets	**23,541.40**
Current Assets	
Inventories	43,798.81
Trade Receivables	25,552.45
Cash & Cash Equivalents	729.65
Bank Balances other than Cash & Cash Equivalents	10,764.01
Other Financial Assets	12,620.42
Other Current Assets	8,373.34
Total Current Assets	1,01,838.68
Total Assets (A)	**1,25,380.08**
LIABILITIES	
Non-Current Liabilities	
Borrowings	310.66
Lease Liabilities	1,800.21
Other Financial Liabilities	719.81
Provisions	224.69
Deferred Tax Liabilities (Net)	62.56
Total Non-Current Liabilities	**3,117.93**
Current Liabilities	
Borrowings	5,436.68
Lease Liabilities	720.82
Trade Payables - MSME	679.57
Trade Payables - Others	18,802.00
Other Financial Liabilities	465.30
Other Current Liabilities	15,299.44
Provisions	279.14
Current Tax Liabilities (Net)	807.68
Total Current Liabilities	**42,490.63**
Total Liabilities (B)	**45,608.56**
Net Assets / NAV (A-B)	**79,771.52**
Less: Non-Controlling Interest	894.01
NAV attributable to Equity Shareholders (C)	**78,877.51**
**Diluted Number of Equity Shares	20,00,91,662.00
NAV per Equity Share (₹)	**39.42**

VAIBHAV MANDHANA REG. NO. IBBI/RV/06/2020/13124 REGISTERED VALUER

Annexure A(iv) – Income Approach as on 31st March, 2026 as per Consolidated Financials*

(INR in Lakhs)

Financial Year	Profit After Tax (PAT) (A)	Weights (B)	Weighted (A) * (B)
FY24	6,001.08	33.33%	2,000.16
FY25	6,864.71	33.33%	2,288.01
FY26	8,303.97	33.33%	2,767.71
Weighted Average Profit After Tax			7,055.88
PE Multiple			**66.5**
PECV (Average Profit After Tax × PE Multiple)			**4,69,216.20**
**Diluted Number of Equity Shares (Nos.)			20,00,91,662
Equity Value per Share (INR)			**234.50**

***Note:** Since the consolidated financial statements for the quarter ended 30 June 2026 were unpublished and not publicly available, the Income Approach has been based on the latest available published consolidated financial statements as at 31 March 2026.

****Note:** The 600,000 ESOPs granted on 14th May, 2026 remain unexercised. However, for the purpose of determining the fair value of the equity shares, the potential dilution arising from these ESOPs has been considered in the diluted number of equity shares. The same diluted share count has been consistently applied under both the Asset Approach and the Income Approach.

VAIBHAV MANDHANA
REG. NO. IBBI/RV/06/2020/13124
REGISTERED VALUER

Valuation Analysis

In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the valuer and judgment taking into account all the relevant factors. There will always be several factors, e.g. quality and integrity of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognised in judicial decisions.

We have considered the valuation method as deemed appropriate, and as detailed, in the "Valuation Approaches and Methodologies" section of our Report and applied weights, as deemed appropriate, to the values determined using each of the applicable methods to arrive at our value recommendation.

We have applied the Market Price method under Market Approach to derive the value of the shares. On the basis of our valuation as discussed under 'Valuation Analysis' Section of this report, the fair equity value of the Per Share as at relevant date, is **INR 257.23/-**

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

Statement of Limiting Conditions

- Valuation analysis and results are specific to the purpose of valuation mentioned in this report as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- We owe responsibility to only the Client that has retained us and nobody else. We do not accept any liability to any third party in relation to the issue of this valuation report. Our valuation report cannot be used for any other purpose except as stated in the Engagement Background. Our Valuation Report can be shared by the Client with its Advisors, Merchant Bankers, SEBI and other authorities purely in connection with the proposed transaction.
- We have relied on information as available in public domain and as made available to us. We assume no responsibility for the accuracy and completeness of information and will not be held liable for it under any circumstances. We have not conducted an audit, or due diligence, or reviewed / validated the data made available to us.
- Our analysis is based on the market conditions and the regulatory environment that currently exists. However, changes to the same in the future could impact the company and the industry it operates in, which may impact our valuation analysis.
- Neither we nor any of our affiliates are responsible for updating this report because of events or transactions occurring subsequent to the date of this report.
- The valuation analysis and result rely upon the information substantively contained herein.
- We have obtained a general representation from Client confirming that the Client has provided us with all the relevant information, knowledge, supporting documents completely and correctly and that no material information has been concealed or withheld or misrepresented by the Client.
- The Investors need to undertake their own analysis and also appoint experts to obtain an independent view before investing or divesting in the valuation subject. Our report cannot be relied upon by the current or potential investors to undertake any investment/divestment decision.
- Provision of valuation opinions and consideration of the issues described herein are areas of our regular valuation practice. The services do not represent accounting / assurance / tax / legal / financial / commercial / environmental due diligence, consulting or tax related services or forensic/ investigation services that may otherwise be provided by us or our affiliates and does not include verification or validation work.

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

- The valuation report was prepared for the purpose of complying with provisions of SEBI ICDR Regulations and is for the confidential use of the Client only. Its suitability and applicability of any other use has not been checked by us. Neither the valuation report nor its contents may be disclosed to any third party without our prior written consent. We retain the right to deny permission for the same. The Report is only for regulatory compliances and/or regulatory filings under the specific Statute under which this Report is issued and as such cannot be disclosed or discussed with any third party. It is inappropriate to use this Report for financing or any purpose other than the purpose mentioned above. We are not responsible for the unauthorized use of this Report. We shall not assume any responsibility to any third party to whom the Report is disclosed or otherwise made available. Unless required by law, it shall not be provided to any third party without our prior written consent. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom this report is disclosed or otherwise made available.
- The Report assumes that the Company complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that it will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this valuation report has given no consideration to the following matters -
  (1) Matters of a legal nature, including issues of legal title and compliance with local laws, and
  (2) Litigation and other contingent liabilities that are not recorded in the audited/unaudited balance sheet of the Company.
- In accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information provided to us. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements.
- The valuation analysis and results are governed by concept of materiality.
- We have been given to understand by the Management that it has made sure that no relevant and material factors have been omitted or concealed or given inaccurately by people assigned to provide information and clarifications to us for this exercise and that it has checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. We have assumed that the information provided to us presents a fair image of the Company's activities and the shares being valued at the Valuation Date. Therefore, RV will accept no responsibility for any error or omission in the Report arising from incorrect information provided by Management. Also, we assume no responsibility for technical information furnished by the Management and believed to be reliable.
- The opinion(s) rendered in the Report only represent the opinion(s) of RV based upon information furnished by you and others on your behalf and other sources and the said opinion(s) shall be considered advisory in nature. Our opinion is however not for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.
- The fee for the Report is not contingent upon the results reported.
- While performing this assignment, we have assumed genuineness of all signatures and authenticity of the documents/details and/or copies of the documents furnished to us by the Management or on behalf of the Management.

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

Sources of information

In connection with this exercise, we have used the following sources of information -

- Business profile of the Company
- External sources - BSE & NSE
- Relevant extract of the Articles of Association of the Company
- Projections provided by the Management
- Representation from the Management that the details/documents available in public domain, as of the relevant date, need to be considered for valuation and that the Management has made sure that no relevant and material factors have been omitted or concealed

During the discussions with the Management, we have also obtained explanations and information considered reasonably necessary for our exercise.

Procedures conducted

The Procedures conducted by us are:

1. Requested and received all required information from the Management.
2. Run through of the relevant extract of the AOA of the Company
3. Review of the audited historical financial statements of the Company.
4. Discussions with the Management on understanding the profile and business operations of the Company.
5. Prepared and issued valuation report.

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

GSCALE ENERGY PRIVATE LIMITED

Valuation Report

JULY 11TH, 2026

STRICTLY PRIVATE & CONFIDENTIAL

Vaibhav Mandhana
Registered Valuer
Registration Number: IBBI/RV/06/2020/13124

To,
The Board of Directors

Standard Engineering Technology Limited
D.12, Phase I,
IDA, Jeedimetla
Hyderabad, Telangana – 500055

GScale Energy Private Limited
Flat No. 2001,
17LH Lanco Hills,
Manikonda, Rangareddy, Telangana – 500089

Subject: Valuation of Equity Shares of GScale Energy Private Limited ('GScale' or 'the Company').

Dear Sir(s) / Madam(s),

I, CA Vaibhav Mandhana, Registered Valuer – Securities or Financial Assets (IBBI/RV/06/2020/13124) under the Insolvency and Bankruptcy Board of India (IBBI) (hereinafter referred to as "the Valuer" or "I"), have been engaged on June 4th, 2026 **('Date of Appointment')** with the management of Standard Engineering Technology Limited ('SETL' or 'the Client') in connection with the valuation exercise of Equity shares of the Company, on a 'going concern' basis as at June 8th, 2026 ('Valuation Date').

In the accompanying report, I have presented our valuation analysis, as well as the source of information used in this report and the scope of work in the course of our assignment, indicating any limits on our assignment. This report and its contents may not be cited, referred to, or shown to anyone other than the parties involved in this report, and should be read in its entirety rather than in portions.

In case you require further information or Clarification, please feel free to contact us.

Thanking You,
Yours Faithfully

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

CA Vaibhav Mandhana
Membership No: 142514
UDIN:26142514EVPMZF5853

Date: July 11th , 2026

Place: Mumbai

702(L), Hubtown Solaris,NS Phadke Marg, Andheri East, Mumbai 400069
vaibhav@vmandhana.com +91 99671 10003

TABLE OF CONTENT

SECTION 1

- **SCOPE AND PURPOSE OF THIS REPORT**
- **BRIEF BACKGROUND OF THE COMPANY**

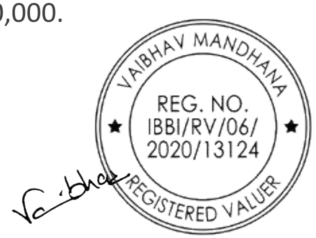
SCOPE AND PURPOSE OF THIS REPORT

- The Management of the Client has informed us that the Company proposes to be acquired by Standard Engineering Technology Limited. In this regard, the Client has engaged us to determine the fair value of the Company's equity shares ("Valuation") as of June 8th 2026 ("Valuation Date") in connection with the proposed acquisition, to assist the Client in complying with the applicable provisions of the Companies Act, 2013, including the relevant rules prescribed thereunder, as amended from time to time.
- The report is solely for the above engagement.

BRIEF BACKGROUND OF THE COMPANY

<u>Overview of the Company</u>

- **GScale Energy Private Limited** is a private company limited by shares incorporated on 15th May, 2026 under the Companies Act, 2013 with the CIN U28199TS2026PTC216284 and its registered office is situated at Flat No. 2001, 17LH Lanco Hills, Manikonda, Rangareddy, Telangana – 500089.
- The Company is engaged in the business of manufacturing, designing, assembling, supplying, installing, exporting, importing, and dealing in general-purpose machinery, industrial machinery, and equipment, including machinery used in energy and engineering applications.
- The total number of shares outstanding as on the Valuation date is 1,00,000.



SECTION 2

INFORMATION SOURCES

INFORMATION SOURCES

In connection with this valuation exercise, we have used the following information about the Company received from the Management of the client and/or gathered from the public domain:

- Detailed business profile of the Company;
- Management certified projected financial statements of the Company for 4 years and 9.77 months till the period ended March 31st, 2031
- Management Representation Letter;
- Shareholding pattern as at valuation date of the Company;
- Discussions with the Management of the Client to understand the historical and expected future performance, macroeconomic fundamentals and key value drivers affecting the Company;
- Discussions and correspondence with the Management of the Client, to obtain requisite explanations and clarifications on the data provided;
- Such other analyses, reviews and inquiries, as we consider necessary. We had limited interactions with the management of the Client and our analysis is subject to the same.

We communicated with the Client's management for a better understanding of the information they provided, and we obtained explanations and other details that could be useful for our exercise. As part of our standard procedure, we have given the company the opportunity to review our draft report in order to ensure that there are no factual errors in the signed report.

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

SECTION 3

PROCEDURES USED FOR VALUATION ANALYSIS

PROCEDURES USED FOR VALUATION ANALYSIS

We have undertaken the following procedure covering our valuation exercise for the purpose of our valuation:

- Requested and received the relevant data from the management of the client including historical financial, projections and brief profile of the Company;
- Discussion with the management of the client on understanding the business, fundamental factors, future plans, and key factors of the company.
- Analysis and review of the historical financial as well as the financial projections along with the discussion with the client's management on their underlying assumptions which were based on management's best estimates for the explicit period;
- Selection of the appropriate valuation approaches;
- Prepared and issued this valuation report as required under the applicable laws.

VAIBHAV MANDHANA
REG. NO. IBBI/RV/06/ 2020/13124
REGISTERED VALUER

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SECTION 4

CAVEATS

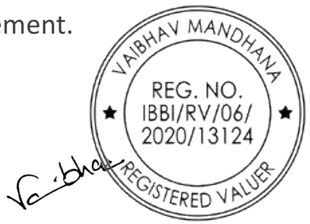
CAVEATS

- Our report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to in this report.
- Public information, estimates, industry and statistical information contained in this report have been obtained from sources considered to be reliable. However, we independently did not verify such information and make no representation as to the accuracy or completeness of such information obtained from or provided by such sources.
- Our work does not constitute an audit, due diligence certification or review of the historical financial statements and projections of the Company / Business referred to in this report. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation and valuation date mentioned in the report is as agreed as per terms of the engagement. It may not be valid for any other purpose.
- This valuation reflects facts and conditions existing or reasonably foreseeable at the valuation date. Subsequent events have not been considered, and we have no obligation to update our report for such events and conditions.
- The client has been provided with an opportunity to review the draft opinion as a part of our standard practice to make sure that factual accuracy / omissions are avoided in our Final Valuation. Valuation analysis and results are also very specific to the date of this report. A valuation of this nature involves consideration of various factors including those impacted by the prevailing stock market trends in general and industry trends in particular. This report is issued on the understanding that the Client has drawn our attention to all the matters, which it is aware of concerning the financial position of the Business and any other matter, which may have an impact on our analysis, on the value of the unquoted shares, including any significant changes that have taken place or are likely to take place in the financial position of the Business. We have no responsibility to update this report for events and circumstances occurring after the date of this report.
- We express no opinion on the achievability of the forecasts relating to the Business given to us by the management of the Client. These forecasts are the responsibility of the management of the Client. The assumptions used in their preparation, as have been explained, are based on the Company's present expectation of both – most likely set of future business events and circumstances and the management's course of action related to them. It is usually the case that some events and circumstances do not occur or are not anticipated. Therefore, actual results during the forecast period may differ from the forecast and such differences may be material.

VAIBHAV MAHODHANA REG. NO. IBBI/RV/06/2020/13124 REGISTERED VALUER

CAVEATS

- In the course of the valuation, we were provided with both written and verbal information, including financial and operating data. We have evaluated the information provided to us by the Client through broad inquiry and analysis (but have not carried out a due diligence or audit or review of the Business for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided). We have been represented by the management of the Client that it has not omitted any relevant and material factors. Accordingly, we do not express any opinion or offer any form of assurance regarding the accuracy and completeness of the information / data provided to us by the Client. We assume no responsibility for any errors in the above information furnished by the Client and their impact on the present exercise.
- The analyst, by reason of this valuation, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made. Our engagement for this valuation consulting work does not include any procedures designed to discover any defalcations or other irregularities, should any exist.
- This report is not, nor should it be construed as our recommendation on the valuation of Inventory. Any decision by the charge creator regarding whether or not to proceed with the subscription shall rest solely with the charge creator. This report and the opinion / valuation analysis contained herein should not be construed as advice relating investing in, purchasing, selling or otherwise dealing in securities.
- This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should take for this purpose. Neither this report nor its contents may be referred to or quoted in any registration statement, Regulatory Purpose, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties.
- Vaibhav Mandhana's maximum liability relating to this valuation report shall be limited to 50% of the fees received from the client for rendering the service. This provision shall survive the completion of this engagement.



SECTION 5

RELIANCE ON THE MANAGEMENT

RELIANCE ON THE MANAGEMENT

In the course of our Valuation, we have relied upon financial and other information, provided by or on behalf of the Management of the Client. Our conclusions are dependent on such information being accurate and complete in all material respects. Although we have analysed this information, the scope of our work will not enable us to accept responsibility for the accuracy and completeness of this information. We have not conducted an independent audit, due diligence/ review or validation of such financial and other information. Accordingly, we do not express an opinion or any other form of assurance thereon and we accept no responsibility or liability for any losses occasioned to GSCALE, its shareholders, their directors or shareholders, prospective investors or to any other parties as a result of our reliance on such information. However, the Client is permitted to share this report with its potential investors, their professional advisors, affiliates, and relevant tax and regulatory authorities for the specific purposes of this transaction, on the understanding that such parties shall not hold us liable for the data provided herein.

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

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SECTION 6

VALUATION APPROACHES & METHODOLOGIES

VALUATION APPROACHES & METHODOLOGIES

For the purpose of arriving the fair value of the Equity shares of the Company, it would be necessary to select an appropriate basis of valuation amongst the various alternatives. It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. The application of any particular method of valuation depends upon various factors including the size of the Company, nature of its business and purpose of valuation. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value of one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgement, analysis of business, in an independent and bonafide manner based on our previous experiences of assignments of a similar nature.

- There are various valuation approaches for the purpose of valuation of the Company. These are as follows:
  - A. "Income " Approach
  - B. "Assets" Approach
  - C. "Market" Approach
- Within these three basic approaches, several methods may be used to estimate the value. An overview of these approaches is as follows:

A) "Income " Approach

- The Income approach widely used for valuation under "Going Concern" basis. It focuses on the income generated by the Company in the past as well as its future earning capability. The **Discounted Cash Flow ('DCF') method** under the Income approach seeks to arrive at a valuation based on the strength of future Cash Flows. **Discounted Cash Flow ('DCF') method**, the fair value of the company/business is based on expected value of Cash flow that the company is expected to generate in future which is thereafter discounted at a rate, which reflects the expected returns and the risks associated with the cash flows. The value of the Company is determined as the present value of its future free cash flows.

- **Free Cash Flows ('FCF')** are discounted for the explicit forecast period and the perpetuity value thereafter. Free Cash Flows represent the cash available for distribution to both, the owners and creditors of the business.

- **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 ear of the forecast period.

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

VALUATION APPROACHES & METHODOLOGIES

- **The discounting Factor** (rate of discounting the future cash flows) reflects not only the time value of money, but also risk associated with the business's future operations.
- The business/enterprises value so derived, is further reduced by value of debt, if any, (net of cash and cash equivalents) to arrive at value to the owners of business. The surplus assets/ non-operating assets are also adjusted.
- In case of Free Cash Flows to Equity, the cash available for distribution to owners of the business is discounted at the cost of Equity and the value so arrived is the Equity value before surplus/non – operating assets. The surplus assets/non-operating assets are further added to arrive at the Equity Value.
- ***The Income Approach has been adopted for the present valuation, with the Discounted Cash Flow (DCF) Method considered the most appropriate methodology. Given that the Company is a newly incorporated entity, its intrinsic value is expected to be driven by its projected future cash flows, business plan, and growth prospects. The DCF Method captures the present value of the future economic benefits expected to accrue from the Company's operations and, therefore, provides the most reliable indication of the fair value of the equity shares as on the valuation date.***

B) ASSETS APPROACH

- The Assets approach or cost approach is defined as, a general way of determining a value indication of a business, business ownership interest or security using one or more methods based on the value of the Net Assets (Asset's net of liabilities)
- Asset's approach presents the value of all the tangible and Intangible assets and liabilities of the Company. This approach starts with a book basis balance sheet as close as possible to the valuation date and restates the assets and liabilities, including those that are unrecorded, to fair value method. This method is appropriate in cases where the major strength of the business is its asset base rather than its capacity or potential to earn profits or this method is typically used in cases where the asset base dominates earning capability or going concern aspects of the entity is uncertain.

VAIBHAV MANDHANA
REG. NO. IBBI/RV/06/2020/13124
REGISTERED VALUER

VALUATION APPROACHES & METHODOLOGIES

C) MARKET APPROACH

- Under the Market approach, the valuation is based on the market value of the Company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies. The Market approach generally reflects the investors perception about the true worth of the company.

- Market Price Method: Under this method, the market price of an equity shares of the Company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the trading. The Market value reflects the investor’s perception about the true worth of the Company.

a. **Comparable Companies Multiple Method:** Under this 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.

b. **Comparable Transaction Multiple Method:** This Method involves applying derived transaction multiples of comparable transactions to the company's future maintainable revenues/ profits (based on past and/ or projected working results adjusted to reflect the future earnings potential) after adjusting the derived multiples on account of dissimilarities with the comparable transactions and the strengths, weaknesses and other factors peculiar to the proposed transaction for which the company is being valued.

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

SECTION 7

- **APPLICATION OF VALUATION APPROACHES**
- **VALUATION STANDARDS**
- **VALUATION CONCLUSION**
- **DISTRIBUTION OF THE REPORT**

APPLICATION OF VALUATION APPROACHES

- I have analyzed the various approaches for the purpose of my valuation, and according to my analysis, considering the information and fact, I believe that the Discounted Cash Flow (DCF) method is the best appropriate method to use to arrive at the fair value of the Equity shares of the Company. ***Please refer to Annexures for detailed working.***

VALUATION STANDARDS

- The report has been prepared in compliance with the valuation standards adopted by ICAI Registered valuer organization.

VALUATION CONCLUSION

- In light of the above and after considering all the relevant facts, circumstances, and assumptions discussed and outlined in this Report (including the scope of work, caveats, and sources of information relied upon), I have adopted the Discounted Cash Flow Method for determining the fair value of the Equity Shares of the Company. Accordingly, based on my analysis, the fair value of the Equity Shares of the Company as of the Valuation Date is **INR 24,755 per Equity Share**, which represents the fair value for the proposed acquisition by Standard Engineering Technology Limited.

DISTRIBUTION OF THE REPORT

- The Analysis is confidential and has been prepared exclusively for the Client. It should not be used, reproduced or circulated to any other person or for any purpose other than as mentioned section 1, in whole or in part, without the prior written consent of the valuer. Such consent will only be given after full consideration of the circumstances at the time. However, we do understand that the report will be shared with the investor / buyers of the Company / submission to government authorities and regulators towards statutory compliances.

VAIBHAV MANDHANA
REG. NO. IBBI/RV/06/2020/13124
REGISTERED VALUER

SECTION 8

ANNEXURE

ANNEXURE 1- VALUATION SUMMARY

Valuation Approaches	Value Per Share	Weight	Weightage Price
Asset Approach (Refer note-1)	-	0%	-
Market Approach (Refer note-2)	-	0%	-
Income Approach (Refer note-3)	24,755	100%	24,755
Weighted Average Value Per Share (in INR)	**-**	**-**	**24,755**

Note 1 : *The Asset Approach has been considered in the present valuation. However, being a newly incorporated entity with a limited operating history, the Company's book value primarily comprises the initial capital infusion and does not adequately reflect its underlying economic worth. Further, the value of the Company is expected to be driven by its proposed business operations, growth prospects, and earning capacity rather than the value of its underlying net assets. Accordingly, while the Asset Approach has been considered, zero weight has been assigned to this approach in arriving at the fair value of the equity shares.*

Note 2 : *The Market Approach has been considered in the present valuation. However, being a newly incorporated entity that has not commenced its business operations, there are no recent arm's length transactions in the Company's equity shares or comparable market transactions that could provide a reliable basis for valuation. Further, the absence of comparable companies with a similar stage of development, business model, and risk profile limits the applicability of this approach. Accordingly, while the Market Approach has been considered, zero weight has been assigned to this approach in arriving at the fair value of the equity shares.*

Note 3: *The fluctuations and year-on-year increase in projected revenues are primarily attributable to the phased commencement of commercial operations, gradual ramp-up of manufacturing capacity, increasing capacity utilisation, execution of customer orders based on project milestones, and the expected growth in demand for AI and hyperscale data centre infrastructure solutions. As the Company is in the initial stage of its business lifecycle, revenues are projected to increase progressively with the stabilisation of operations, expansion of customer engagements, and execution of a larger order book.*

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

ANNEXURE 1- VALUATION SUMMARY

Based on the projections provided by the Management of the Client, We have computed the total Equity value by using Free Cash Flow to Firm Method of the Company. Please see below calculation:

INR in Millions

Particulars Projected Cumulative Months	31-Mar-27 Projected 9.77	31-Mar-28 Projected 21.77	31-Mar-29 Projected 33.77	31-Mar-30 Projected 45.77	31-Mar-31 Projected 57.77	Terminal Value
Revenue	2,500.00	4,000.00	6,000.00	8,000.00	10,000.00	10,500.00
EBITDA	525.00	890.00	1,410.00	1,980.00	2,600.00	2,237.68
Less: Depreciation	105.05	210.09	276.76	343.43	401.43	946.76
EBIT	419.95	679.91	1,133.24	1,636.57	2,198.57	1,290.92
Less: Interest	37.50	60.00	90.00	120.00	150.00	157.50
PBT	382.45	619.91	1,043.24	1,516.57	2,048.57	1,133.42
Less: Tax expense	96.26	156.03	262.58	381.72	515.63	285.28
PAT	**286.19**	**463.88**	**780.66**	**1,134.85**	**1,532.95**	**848.14**
Adjustments						
Add: Depreciation	105.05	210.09	276.76	343.43	401.43	946.76
Add: Interest after tax	28.06	44.90	67.35	89.80	112.25	117.86
Less: Capital Expenditure	(1,038.38)	(1,076.76)	(1,076.76)	(1,076.76)	(946.76)	(946.76)
Less: Change in Working Capital	56.24	4.78	5.19	5.63	6.11	3.90
Free Cash flows to Firm ('FCFF')	**(562.85)**	**(353.11)**	**53.19**	**496.95**	**1,105.97**	**969.90**
Mid Year - PV Factor (Mid Year)	0.93	0.80	0.68	0.58	0.49	
Present Value ('PV') of FCFF	**(526.24)**	**(284.21)**	**36.30**	**287.45**	**542.33**	**-**

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER

ANNEXURE 1- VALUATION SUMMARY

Particulars	*INR in Millions*
Terminal	969.90
Growth Rate (%)	5%
Perpetuity Value	**7,483.77**
Particulars	***INR in Millions***
NPV of explicit period	55.63
Present Value of perpetuity	3,669.82
Enterprise Value	**3,725.45**
Add: Cash & Bank Balance as on June 8th, 2026	0.05
Equity Value (Adjusted)	**3,725.50**
No. of Shares on Diluted Basis	1,50,495
Value Per Share (INR)	**24,755.0**

VAIBHAV MANDHANA
REG. NO. IBBI/RV/06/2020/13124
REGISTERED VALUER

ANNEXURE 1- DISCOUNTED CASH FLOW

To arrive at the Free Cash Flow to Firm (FCFF), I have used the Weighted Average Cost of Capital (WACC) to discount the arrived Free Cash flow to Firm. The WACC is estimated using the Capital Assets Pricing Model ('CAPM'). It is expressed as follows:

Computation of WACC	%	Remarks
Risk Free Rate	6.98%	*10 Year Govt. Securities free rate for the period ending June 5th 2026 (FBIL)*
Market Premium	7.98%	*Aswath Damodaran data base as last updated on April 5th 2026*
Beta (No.)	0.80	*Aswath Damodaran Global data base as last updated on Jan 5th 2026 (Industry-*
Risk Premium	5%	*For uncertainty related to CF Projections and illiquidity discount*
Cost of Equity	**18.0%**	
WACC	**18.0%**	
Effective tax rate	**25.17%**	

VAIBHAV MANDHANA
REG. NO.
IBBI/RV/06/
2020/13124
REGISTERED VALUER