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IPO Note

SFC Environmental Technologies Limited

26 October 2026



About the Company

SFC Environmental Technologies is the technology partner behind hundreds of India's sewage treatment plants. It owns C-Tech, a proprietary sequencing batch reactor ("SBR") process, but leaves the civil construction to others. SFC works with EPC contractors before they bid on municipal tenders. When a contractor wins, SFC becomes the designated supplier of the C-Tech package: process design, decanters, diffusers, blowers, automation, installation supervision, commissioning and spares. Many of these components come from its own units, subsidiaries and associate.

As of July 31, 2026, its technology was in 728 installations treating 17,511.11 million litres of wastewater a day, across 23 states and five union territories. According to the F&S Report, this gives SFC over 80% of India's SBR market. Wastewater treatment ("WWT") still drives the business, contributing 67.54% of FY26 revenue from operations.

Two newer businesses build on this base. Wastewater recycling & reuse ("WRR") contributing 15.02% of the FY26 revenue, supplies UF, CCRO and MBR systems under an exclusive DuPont arrangement, upgrading treated sewage for industrial use. Solid waste treatment ("SWT"), at 17.44% of FY26 revenue, uses the proprietary OREX process to turn mixed municipal waste into biogas, compost and recyclables. It runs two plants in Goa on concession, earning tipping fees and energy sales. It is also building compressed biogas plants at Tinsukia and Bhubaneswar for a public sector oil marketing company, orders worth ₹5,017.00 million that include 10 years of operation and maintenance.

Outlook

NON-RATED : The fresh issue of ₹1,500.00 million is mainly about strengthening the balance sheet. ₹422.28 million prepays borrowings and ₹749.17 million funds working capital, which matters for a business whose cash conversion cycle was 242 days in FY26 and 411 days in the June 2026 quarter. On the business side, the order book of ₹16,566.43 million as of August 31, 2026 compares with FY26 revenue of ₹8,036.29 million, and repeat customers contributed 91.98% of FY26 revenue. Against this, revenue is lumpy: 85.83% of standalone WWT revenue came in the second half of FY26, so PAT for the June 2026 quarter was just ₹14.84 million. The top 10 customers made up 79.20% of revenue that quarter. The newer businesses are also still at an early stage: WRR earned ₹142.10 million in FY26 against an order book of ₹5,610.72 million, and the biogas plants are still under construction. At 20x FY26 earnings, we prefer to see execution in these new segments before taking a view.

NON-RATED

Issue Details:

Price Band (Rs)	Rs.313 to Rs.330
Issue Size	Rs. 6.68 Bn
Fresh Issue	Rs. 1.50 bn
Offer for Sale	Rs.5.18 Bn
Lot Size	45
Market Cap	Rs. 32.33 bn
Face Value	Rs.2
Issue Opens	27th Oct 2026
Issue Closes	29th Oct 2026
Lead Manager	IIFL Capital Services Ltd. JM Financial Ltd. Nuvama Wealth Management Ltd.
Registrar	MUFG Intime India Pvt.Ltd.
Tentative Listing Date	3rd November 2026
Listing on	BSE, NSE

Indicative Timetable

Finalization of Basis of allotment	Oct 30, 2026
Refund/ Unblocking of ASBA	Nov 2, 2026
Credit of Equity Shares to DP A/C	Nov 2, 2026

Issue Breakup

QIB	Not more than 50% of the Net Offer
RETAIL	Not less than 35% of the Net Offer
NII	Not less than 15% of the Net Offer
TOTAL	100%

Promotor Shareholding

Pre Issue Share Holding	48.19%
Post Issue Share Holding	41.18%

Objects of the Offer (₹ in mn)

Object	Amount
Prepayment of all or a portion of certain outstanding borrowings availed by Company and wholly owned Subsidiary, namely Vasudha Waste Treatment Pvt.Ltd.	422.28
Funding working capital requirements	749.17
General Corporate Purposes	328.55
Total	**1500.00**

Business Overview

SFC Environmental Technologies Limited is an environmental technology company offering technologies and engineering solutions in wastewater treatment (WWT), wastewater recycling & reuse (WRR) and solid waste treatment (SWT). Incorporated in 2005, its core operations comprise design, technology, manufacturing, supply and supervision for installation and commissioning of equipment for the treatment of wastewater. It was the first technology provider in the SBR space in India with the introduction of C-Tech

- **WWT:** proprietary C-Tech sequencing batch reactor (SBR) technology for treating sewage and effluents. With 728 installations commissioned in the WWT segment as of July 31, 2026, particularly in sewage treatment plants (STPs), the Company holds over 80% market share in SBR technology in India; its technologies facilitate treatment of 17,511.11 MLD of wastewater (F&S Report). C-Tech has been implemented in large-scale SBR-based STPs, including one of the largest STPs under development with a treatment capacity of 424 MLD (F&S Report). Complementary offerings include high-efficiency turbo blowers, fibre disc filters, solar sludge drying systems and, under an exclusive supply agreement with DSP Singapore Holdings Pte Ltd ("DuPont") of August 2024 (amended June 2025), membrane aerated biofilm reactor technology (OXYFAS & OXYFILM) used to enhance the capacity and efficiency of existing, particularly overloaded or outdated, plants.
- **WRR:** tertiary treatment offerings covering design, engineering, manufacturing, procurement, supply, installation and commissioning of projects / plants based on ultrafiltration (UF), closed circuit reverse osmosis (CCRO) and membrane bioreactor (MBR) technologies, with exclusive distribution in India (municipal wastewater treatment plants market) of DuPont submerged UF membranes (L20N V2, S10N V2), CCRO technology and B50N MBR modules. The first WRR order was secured in July 2025.
- **SWT:** technology solutions for SWT plants comprising design, engineering, financing, construction, supply and installation, commissioning, performance run, turnkey solutions and O&M, based on the proprietary Organic Extraction ("OREX") technology. The Company has designed, built and operates two integrated SWT facilities in Goa for Goa Waste Management Corporation (GWMC) on a public-private partnership and turnkey model, and entered agro-based biogas / compressed biogas (CBG) projects in 2023.
- **Automation:** Subsidiary Chavare Engineering Pvt. Ltd. manufactures LV control panels, implements PLC and SCADA-based automation systems and executes electrical and automation turnkey projects. These solutions are also provided as part of WWT and SWT installations, while a substantial portion of its manufactured solutions is offered to players in other sectors.
- **New product:** In Fiscal 2027, the Company introduced "PlasmaConnect™", a modular, ready-to-use oxidation system for drinking water and wastewater treatment based on C-ION™ technology, which uses non-thermal plasma for advanced oxidation using ionised air. It is marketed and distributed in India through wholly owned subsidiary Sustainyx Smart Solution Pvt. Ltd.; initial commercial orders have been secured for zero liquid discharge (ZLD) related applications.

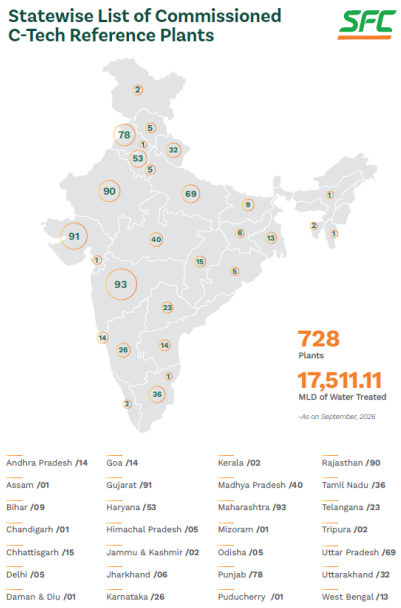
Segment revenue from operations

₹ million	FY24	FY25	FY26	Q1FY27	CAGR FY24-26
Wastewater treatment	5,244.35	4,692.11	5,427.57	649.13	1.73%
Wastewater recycling & reuse	-	-	142.10	-	NA
Solid waste treatment	501.88	1,193.56	1,401.63	532.51	67.12%
Automation (other operating revenues)	828.72	1,092.91	1,064.99	157.80	13.36%
Total	**6,574.95**	**6,978.58**	**8,036.29**	**1,339.44**	**10.56%**

Business lines and operating model

Business line	Offering / scope	Customers	Revenue streams
Wastewater treatment (WWT)	C-Tech package: design & engineering, technology, supply of decanters, diffusers, air blowers, fibre disc filters, solar sludge drying systems and PLC / SCADA automation; erection, installation and commissioning per scope; spares and O&M services	EPC companies bidding for STP projects, ultimately serving municipalities and government agencies	Design and engineering solutions with supply of technology; supply of critical equipment, components and accessories
Wastewater recycling & reuse (WRR)	UF, CCRO and MBR plants from design to commissioning; greenfield projects and upgrade of existing WWT plants with tertiary treatment	EPC companies bidding for STP / WRR projects	Project supply against purchase orders / letters of intent
Solid waste treatment (SWT)	OREX-based integrated municipal solid waste (MSW) treatment; agro-biomass to biogas, bio-CNG or electricity	Goa Waste Management Corporation and an oil marketing company	Project execution, generation and sale of energy, sale of recyclables and compost, O&M services, tipping fees
Automation (Chavare Engineering)	LV control panels, PLC & SCADA automation, electrical & automation turnkey projects	Group WWT / SWT installations and players in other sectors	Supply and turnkey projects

Geographic presence



Statewise C-Tech reference plants commissioned in India (cumulative, till July 31, 2026)

- **India:** technologies delivered for installation in WWT projects across 23 states and five union territories as on July 31, 2026: Andhra Pradesh, Assam, Bihar, Chandigarh, Chhattisgarh, Delhi, Daman and Diu, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu and Kashmir, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Mizoram, Orissa, Punjab, Puducherry, Rajasthan, Tamil Nadu, Telangana, Tripura, Uttar Pradesh, Uttarakhand and West Bengal.
- **International:** WWT solutions delivered in Kenya for a 10 MLD project; an order for WWT solutions for an 80 MLD project in Bangladesh was received in 2024. C-Tech has installations in the UK, Germany, Poland, Austria, China, Russia, Australia, Vietnam and Malaysia (F&S Report).
- **Overseas entities:** SFC Umwelttechnik GmbH (Austria), IST-Anlagenbau GmbH (Germany) and SFC Ekotechnika s.r.o. (Czech Republic). SFC Umwelttechnik GmbH plans to expand to South America and Africa while catering to the Europe market.
- **Customers (overall):** a mix of private and governmental enterprises, with private enterprises contributing the majority of revenue from operations. Revenue split by geography is set out in Section 2.

Group structure

Entity	Relationship	Business
Hindustan Waste Treatment Pvt. Ltd. (HWTPL)	Wholly owned subsidiary	Design, engineering, procurement, supply, erection and commissioning of MSW treatment plants under PPP models (BOOT, DBFOT) or EPC / annuity contracts; operates the North Goa Plant
Vasudha Waste Treatment Pvt. Ltd. (VWTPL)	Wholly owned subsidiary	MSW treatment plants; operates the South Goa Plant. Under an SPA dated June 17, 2026, 100% of VWTPL is to be transferred to HWTPL for up to ₹200.00 million (not yet completed)
Pentagen Biofuels Pvt. Ltd.	Subsidiary	Design, engineering and procurement services for upgradation of biogas plants, O&M and energy generation from agro-waste / residue
Nanded Biofuels Pvt. Ltd.	Step-down subsidiary	Biogas plant services and energy generation from agro-waste / residue
Fine Aeration Systems Pvt. Ltd.	Subsidiary	Design, manufacture, testing, supply and commissioning of diffused aeration systems
Chavare Engineering Pvt. Ltd.	Subsidiary	Process automation systems: control panels, PLCs, power panels, operating stations, distribution boards
Sustainyx Smart Solution Pvt. Ltd. (formerly Navitas Waste Treatment Pvt. Ltd.)	Wholly owned subsidiary	Trading of products and equipment for water, wastewater and solid waste treatment; distributes PlasmaConnect™
IST-Anlagenbau GmbH (Germany)	Subsidiary (80% from July 30, 2025)	Plant equipment, control technology and turnkey solutions for drying of sludge from wastewater and solid waste treatment
SFC Umwelttechnik GmbH (Austria)	Wholly owned subsidiary	Environmental technology solutions, equipment and goods for water and wastewater treatment
SFC Ekotechnika s.r.o. (Czech Republic)	Step-down subsidiary	Machining / manufacturing for water and wastewater treatment (C-MEM hollow fibre)
Turbomax India Pvt. Ltd.	Associate (JV agreement with TurboMAX Co., Ltd., July 28, 2022)	Manufacture and sale of air-foil bearing, variable speed turbo blowers up to 100 HP in India
Endress + Hauser & Chavare Engineering (JV) Pvt. Ltd.	Joint venture	Bidding for and undertaking water / wastewater automation tenders of governmental authorities
Hind Oil Biofuels Pvt. Ltd.	Joint venture (HWTPL with a wholly owned subsidiary of an Indian oil and gas company)	Development and operation of CBG and waste-to-energy projects based on MSW and / or biomass

Chavare Engineering & Endress Plus Hauser JV, a non-corporate association of persons, is consolidated as a step-down subsidiary under Ind AS 110.

Technology partnerships, licences and acquisitions

Partner / target	Arrangement
TurboMax Company Ltd. (South Korea)	Exclusive agreement (2011) integrating high-efficiency turbo blowers into the C-Tech package; joint venture Turbomax India (2022) manufactures blowers, whose unit commenced operations in Fiscal 2024
IST-Anlagenbau GmbH (Germany)	Exclusive partnership introducing solar sludge drying in India; licence for in-house manufacturing (commenced Fiscal 2025); 80% stake acquired for €3.20 million (₹323.20 million), effective July 30, 2025
Yucheon Enviro Co. Ltd. (South Korea)	Exclusive supply agreement (2014) for fibre disc filters, marking entry into tertiary treatment for wastewater reuse
Environmental Dynamics International Inc. (USA)	Authorisation to manufacture, test and exclusively sell MP-3 MiniPanel and MP-3 Curvilinear Panel diffusers in India and overseas
DuPont (DSP Singapore Holdings Pte Ltd)	Exclusive supply agreement (August 2024; amended June 2025) for UF membranes, CCRO, MBR modules and MABR (OXYFAS & OXYFILM)
Smicon (Netherlands)	Exclusive tie-up for SWT equipment
Kanadevia India Pvt. Ltd.	MoU with HWTPL dated November 6, 2025 to develop waste-to-energy projects
Chavare Engineering Pvt. Ltd.	Controlling stake acquired in 2011
SFC Umwelttechnik GmbH (Austria)	Majority acquired in 2008; balance 12.76% purchased under an agreement dated October 2, 2024 (effective June 26, 2025) for €111,702.12, making it wholly owned
Hindustan Waste Treatment Pvt. Ltd.	31% acquired from SMC Infrastructures (October 5, 2023, ₹151.96 million) and 49% from Navitas (February 26, 2024, ₹219.99 million), taking the holding to 80%; balance 20% acquired on March 31, 2025 for ₹180.00 million

Revenue

Revenue from operations by nature (consolidated)

₹ million	FY24	FY25	FY26	Q1FY27
Sale of goods	5,471.34	4,924.77	5,452.33	679.88
Sale of services	971.58	1,885.50	2,419.77	618.31
Revenue from contracts with customers	**6,442.93**	**6,810.27**	**7,872.09**	**1,298.19**
Interest on annuity	87.18	82.60	77.33	18.42
Sale of recyclables, compost, scrap	24.39	42.22	41.44	5.77
Supply of electricity	12.97	29.77	32.64	7.25
Export benefits earned	-	-	0.09	-
Other operating income	7.49	13.72	12.70	9.82
Other operating revenues	**132.02**	**168.31**	**164.19**	**41.26**
Revenue from operations	**6,574.95**	**6,978.58**	**8,036.29**	**1,339.44**

FY: financial year ended March 31; Q1FY26 / Q1FY27: three months ended June 30, 2025 / June 30, 2026 (not annualised and not comparable with full-year figures). All figures in ₹ million unless stated otherwise.

Revenue from operations and total income

₹ million	FY24	FY25	FY26	Q1FY27
Revenue from operations	6,574.95	6,978.58	8,036.29	1,339.44
Other income	190.71	291.06	176.43	39.52
Impairment gain on financial assets	1.79	-	0.01	0.03
Total income	**6,767.44**	**7,269.63**	**8,212.73**	**1,379.00**
Revenue from operations as % of total income	97.16%	96.00%	97.85%	97.13%

Other income comprises interest on term deposits, loans and security deposits, interest from customers, gains on foreign currency transactions, sale of property, plant and equipment and investment property, insurance claims, rent and miscellaneous income.

Revenue by geography (external customers)

₹ million	FY24	FY25	FY26	Q1FY27
India	6,376.15	6,793.84	7,662.23	1,287.98
Outside India	198.80	184.74	374.05	51.47
Total	**6,574.95**	**6,978.58**	**8,036.29**	**1,339.44**

Revenue linked to government entities

₹ million (% as indicated)	FY24	FY25	FY26	Q1FY27
WWT revenue directly / indirectly attributable to Government Entities (% of WWT segment revenue)	5,019.70 (95.72%)	4,335.69 (92.40%)	5,012.53 (92.35%)	597.02 (91.97%)
SWT revenue from Government Entities incl. oil marketing companies (% of SWT segment revenue)	501.88 (100.00%)	1,193.56 (100.00%)	1,401.63 (100.00%)	532.51 (100.00%)
SWT contracts awarded by central / state agencies incl. OMCs (% of consolidated revenue)	6.82%	16.76%	16.68%	38.81%
WWT and SWT together (% of consolidated revenue)	5,746.23 (87.40%)	5,885.67 (84.34%)	6,829.20 (84.98%)	1,181.64 (88.22%)

- In WWT, customers are private EPC companies executing projects awarded or funded by the central government, state governments, local bodies including municipalities, and public sector undertakings ("Government Entities"). GWMC contributed over 5% of consolidated revenue in each of the last three fiscals.
- SWT revenue for FY24–FY26 included significant non-recurring revenues from EPC services, design, engineering and construction services, and remediation and ancillary civil work relating to the North Goa and South Goa plants under contracts with GWMC. In FY26, revenue from the EPC portion of a contract with an oil marketing company was 8.74% of consolidated revenue from operations.

Segments

The Group has four operating and reporting segments: Wastewater Treatment (WWT), Wastewater Recycling & Reuse (WRR), Solid Waste Treatment (SWT) and Automation – Chavare Engineering. Revenue and expenses are identified to a segment based on their relationship to its operating activities; items relating to the enterprise as a whole are shown as unallocable. The Board of Directors is the chief operating decision maker. Outside the financial statements, Automation revenue is presented as "other operating revenues".

Segment revenue from operations

₹ million	FY24	FY25	FY26	Q1FY27	CAGR FY24-26
Wastewater treatment	5,244.35	4,692.11	5,427.57	649.13	1.73%
Wastewater recycling & reuse	-	-	142.10	-	NA
Solid waste treatment	501.88	1,193.56	1,401.63	532.51	67.12%
Automation (other operating revenues)	828.72	1,092.91	1,064.99	157.80	13.36%
Total	**6,574.95**	**6,978.58**	**8,036.29**	**1,339.44**	**10.56%**

Segment share of revenue from operations

% of revenue from operations	FY24	FY25	FY26	Q1FY27
Wastewater treatment	79.76%	67.24%	67.54%	48.46%
Wastewater recycling & reuse	-	-	1.77%	-
Solid waste treatment	7.63%	17.10%	17.44%	39.76%
Automation (other operating revenues)	12.60%	15.66%	13.25%	11.78%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Segment revenue is shown net of inter-segment revenue. Gross Automation segment revenue was ₹932.93 mn (FY24), ₹1,174.83 mn (FY25), ₹1,149.43 mn (FY26), ₹244.93 mn (Q1FY26) and ₹169.86 mn (Q1FY27), with inter-segment revenue of ₹104.21 mn, ₹81.92 mn, ₹84.44 mn, ₹2.25 mn and ₹12.06 mn. In FY26, inter-segment revenue of ₹0.85 mn (WWT) and ₹4.60 mn (SWT) was eliminated. WRR order book building started in FY26 on receipt of the first WRR order in July 2025.

Segment result before interest, tax and depreciation

₹ million	FY24	FY25	FY26	Q1FY27
Wastewater treatment	1,716.30	1,630.43	1,726.66	2.74
Wastewater recycling & reuse	-	-	92.24	-
Solid waste treatment	170.08	370.39	401.31	89.14
Automation – Chavare Engineering	49.44	113.36	119.53	5.11
Unallocable	(0.33)	(36.89)	(0.48)	(0.00)
Total	**1,935.50**	**2,077.30**	**2,339.25**	**97.00**
WWT operating EBITDA margin	32.73%	34.75%	31.81%	0.42%
SWT operating EBITDA margin	33.89%	31.03%	28.63%	16.74%

The FY25 WWT segment result includes an insurance claim of ₹5.20 mn recorded in other income. WWT and SWT segment results correspond to the operating EBITDA reported for these segments.

Customer concentration (consolidated revenue from operations)

₹ million (% of revenue)	FY24	FY25	FY26	Q1FY27
Top 1 customer	707.94 (10.77%)	1,169.61 (16.76%)	1,152.47 (14.34%)	357.30 (26.68%)
Top 5 customers	2,664.84 (40.53%)	3,251.61 (46.59%)	3,785.36 (47.10%)	832.09 (62.12%)
Top 10 customers	3,891.10 (59.18%)	4,282.85 (61.37%)	5,178.44 (64.44%)	1,060.87 (79.20%)
Top 25 customers (% of revenue)	74.25%	76.25%	81.19%	92.65%
Share of top-10 revenue from long-term contracts (excl. one-time execution component)	5.77%	8.92%	7.64%	14.50%

Top customers vary each year depending on contracts and their realisation. Named top-10 customers over the period include Goa Waste Management Corporation, GVPR Engineers Ltd., Vishvaraj Environment Ltd., Enviro Control Pvt. Ltd., SMC Infrastructures Pvt. Ltd., HNB Engineers Pvt. Ltd., Khilari Infrastructure Pvt. Ltd., Rajkamal Builders Infrastructure Pvt. Ltd., Gharpure Engineering & Constructions Pvt. Ltd. and R.K. Engineers Sales Ltd.; the remainder were not named for want of consent.

Customers contributing 10% or more of consolidated revenue

Period	Customer	Revenue (₹ million)	Segment
FY24	External Customer 4	707.94	WWT
FY25	External Customer 2	1,169.61	SWT
FY25	External Customer 3	769.33	WWT
FY26	External Customer 1	1,152.47	WWT (includes WRR)
Q1FY26	External Customer 2	152.67	SWT
Q1FY26	External Customer 5	129.73	Automation
Q1FY27	External Customer 2	162.61	SWT
Q1FY27	External Customer 6	357.30	SWT

Revenue from repeat customers

Period	Revenue from repeat customers (₹ million)	Repeat customers (% of revenue)	New customers (% of revenue)
FY24	4,691.84	89.96%	10.04%
FY25	4,039.74	85.18%	14.82%
FY26	5,140.40	91.98%	8.02%
Q1FY27	625.40	97.41%	2.59%

Repeat customers are customers from whom the Company derived revenue in any of the three preceding fiscal years. Repeat business has been sustained from EPC players including Enviro Control, Vishvaraj Environment, SMC Infrastructures, Ramky Infrastructure, EMS, Enviro Infra Engineers, Toshiba Water Solutions, Khilari Infrastructure and Rajkamal Builders Infrastructure.

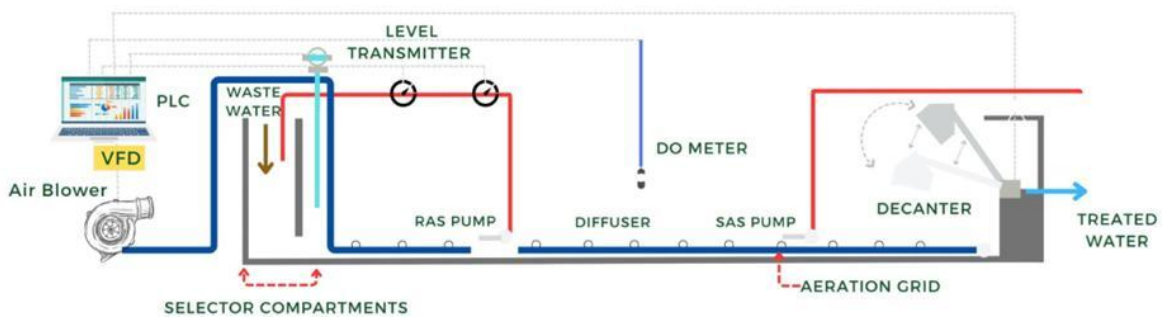
Segment assets and liabilities

₹ million	FY24	FY25	FY26	Q1FY27
Assets – WWT	3,527.36	4,177.31	5,075.73	4,041.10
Assets – WRR	-	-	243.22	195.29
Assets – SWT	2,220.73	2,365.72	3,678.61	3,944.61
Assets – Automation	527.54	781.85	793.82	710.78
Assets – Unallocable	4,038.65	4,130.99	5,989.16	6,044.94
Total segment assets	**10,314.27**	**11,455.87**	**15,780.53**	**14,936.71**
Liabilities – WWT	296.89	332.79	294.17	269.42
Liabilities – SWT	1,210.29	1,156.86	2,620.29	2,631.69
Liabilities – Automation	318.55	501.70	436.57	350.09
Liabilities – Unallocable	7,917.50	8,706.06	11,628.81	10,887.61
Total segment liabilities	**9,743.24**	**10,697.41**	**14,979.84**	**14,138.81**

Segment totals are before inter-segment eliminations; consolidated total assets were ₹9,049.41 mn (FY24), ₹9,994.73 mn (FY25), ₹8,805.42 mn (Jun-25), ₹13,234.27 mn (FY26) and ₹12,245.61 mn (Q1FY27).

Wastewater Treatment (WWT) – 67.54%

- **Scope:** design and engineering, technologies, and manufacturing and supply of equipment for the treatment of wastewater. Segment revenue is primarily from the C-Tech package – design and engineering solutions, technology, and supply of key equipment such as decanters (including core parts), diffusers, air blowers, fibre disc filters, sludge drying systems and PLC / SCADA-based automation – together with O&M services and supply of spares.
- **C-Tech:** the latest generation SBR process, used for both domestic sewage and industrial effluents to achieve recyclable quality water with low life-cycle cost (F&S Report). It offers up to 98% BOD removal in a single step, up to 40% savings in power consumption (energy is almost 80% of STP O&M cost) and up to 50% lower area than conventional technologies; modular construction allows capacity expansion; underwater components use stainless steel or uPVC; PLC / SCADA automation makes performance independent of operator skill; outlet suspended solids are below 10 ppm and BOD below 5–10 ppm (F&S Report). It has been implemented to treat wastewater from refineries, pharmaceutical, petrochemical and textile industries, and C-Tech plants can be designed to generate power from primary sludge through anaerobic digesters.
- **Operating cycle:** fill & aeration, settling and decanting phases lasting about 3–4 hours per cycle, repeated continuously across C-Tech basins; the controller calculates the oxygen uptake rate and wastewater quantity and adjusts air supply and decanting rate. Excess sludge is periodically removed, dewatered and dried for use as a soil conditioner.



C-Tech process diagram

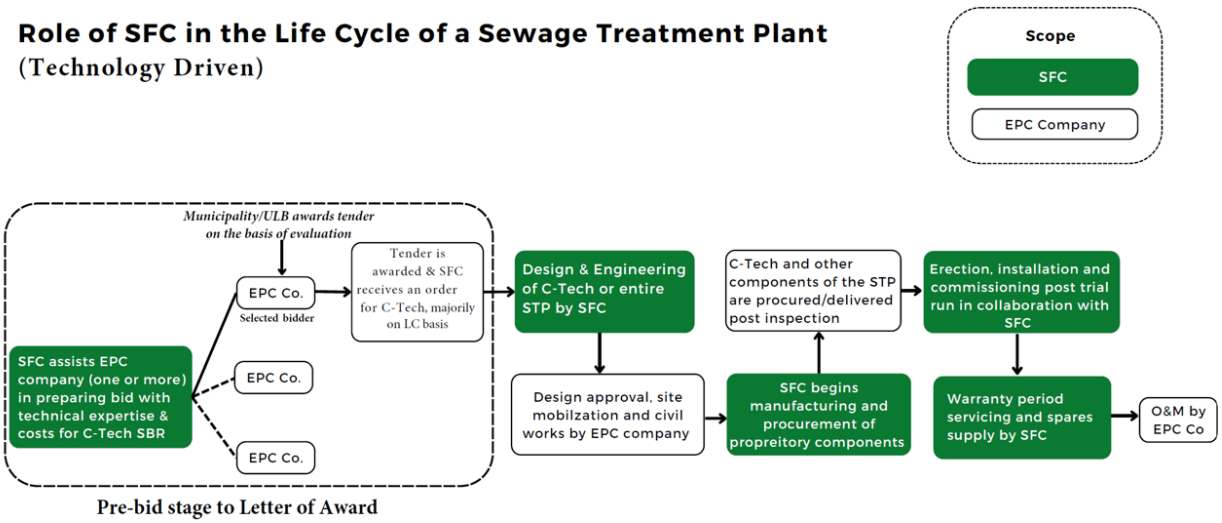
Advanced SBR technologies comparison (1,000 MLD plant) (F&S Report)

Technology	Treatment efficiency (BOD / COD %)	Nutrient removal	Footprint (ha)	Operational complexity	Sludge management (typical)
Conventional SBR	BOD 85-90; COD 90-95	Moderate (N & P require additional processes)	8-12	Moderate	Periodic wasting (~5-10% of treated effluent)
Modified Ludzack-Ettinger (MLE)	BOD 85-90; COD 90-95	High for N; low for P	8-12	Moderate	Similar to conventional SBR
Intermittent Cycle Extended Aeration (ICEAS)	BOD 85-90; COD 90-95	Moderate (partial biological N removal)	8-12	Moderate	Similar to conventional SBR
C-Tech (cyclic activated sludge)	**BOD 90-95; COD 95-98**	**High (N & P removal)**	**5-8**	**High (automated operation)**	**Periodic wasting (~2-5% of treated effluent)**

Key components of C-Tech and how they are sourced

Component	Function	Manufacturing / sourcing
Decanter	Removes the treated supernatant; a moving weir-type arm with geared drive and VFD, designed so that no floating matter or settled solids are withdrawn	In-house manufacturing, including procurement under contract manufacturing
Diffuser	Fine-bubble polyurethane membrane diffusers transfer oxygen; air grids ensure uniform air distribution	In-house manufacturing (Fine Aeration Systems) under exclusive licence from EDI Inc., USA
Blower	Supplies air (oxygen) for aerobic biological treatment; VFD controls air supply and power consumption	High-efficiency turbo blowers from TurboMax (South Korea) under an exclusive agreement; blowers below 100 HP manufactured through associate Turbomax India
PLC	Automates pumping, aeration and filtration with real-time monitoring and remote control	Designed, developed and integrated in-house; PLC components from subsidiary Chavare Engineering
Fibre disc filter	Fibrous disc media remove suspended solids, including for treatment of water for reuse	Procured from Yucheon Enviro (South Korea) under an exclusive agreement
Solar sludge drying system	Reduces sludge moisture using solar thermal collectors	Manufactured in-house under licence from IST-Anlagenbau since FY25; IST is an 80% subsidiary from July 30, 2025

WWT business model



Role of SFC in the life cycle of a sewage treatment plant (technology driven)

- Municipalities / urban local bodies invite bids from EPC companies for wastewater treatment projects. The Company partners with EPC bidders at the pre-tendering stage, offering technical expertise and cost estimates for bid preparation, so that its technology is part of their proposals and it becomes the designated C-Tech supplier if the bidder is selected.
- After award, the Company designs and engineers the C-Tech system or the entire STP and submits it to the EPC company; on receipt of manufacturing clearance it procures and manufactures proprietary components, delivers them after inspection and, based on scope, provides erection, installation and commissioning services. It also supplies spares to EPC companies handling O&M of the STP.
- Order completion depends on the time taken by the EPC customer to obtain approvals, clear the site and secure funding. Once an order is received, supplies are delivered over six to 12 months depending on the customer's construction schedule.
- Recent additions to the WWT portfolio include MABR technology (OXYFAS & OXYFILM) under the exclusive DuPont agreement and PlasmaConnect™ oxidation systems.

WWT market context (F&S Report)

- The Indian water and wastewater treatment market recorded revenue of ₹268 billion in FY2025 (7.2% year-on-year growth), is estimated at ₹292 billion in FY2026 and is projected to reach ₹455 billion by FY2031E (9.3% CAGR FY2026–FY2031E).
- The Indian sewage water treatment market grew at a CAGR of 5.4% between FY2020 and FY2025 and is projected to grow at 9.6% between FY2025 and FY2030E (approximately 9.4% over FY2025–FY2031E).
- SBR represents about 28%–30% of installed capacity for municipal and industrial plants in India. For an STP of 20–100 MLD, total costs typically range from ₹300 million to ₹1,000 million; the C-Tech package accounts for about 10–15% of total cost, while disc filters and blowers contribute 5–8% each.
- The Indian solar sludge dryer market was ₹3.00 billion in FY2026 and is forecast to reach ₹5.26 billion by FY2031F (11.86% CAGR); the global market was USD 305.09 million in CY2024 and is forecast at USD 456.06 million by CY2031F (6.05% CAGR CY2026E–CY2031F).

Seasonality of WWT revenue (standalone)

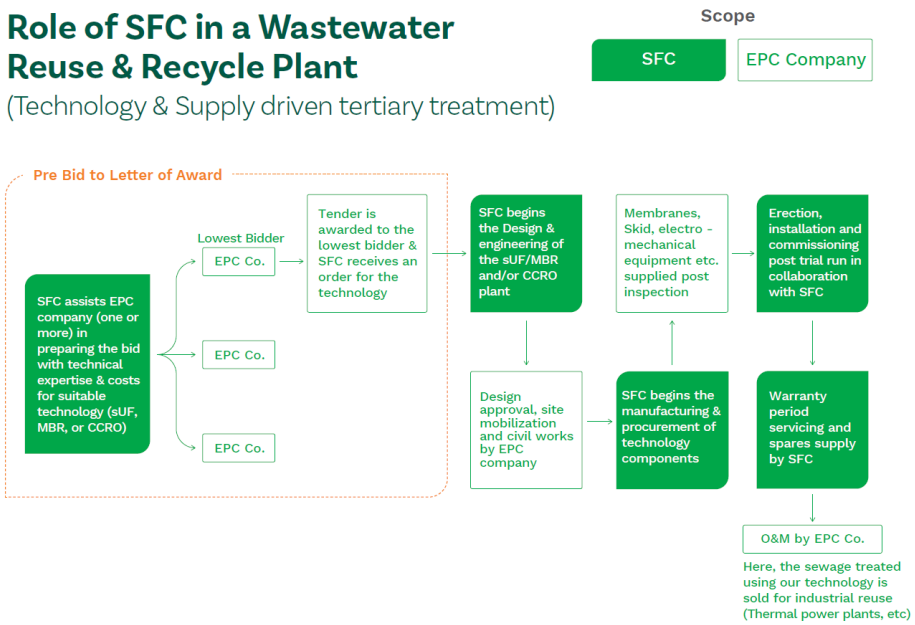
% of standalone WWT revenue	FY24	FY25	FY26
First half of the financial year	22.50%	22.17%	14.17%
Second half of the financial year	77.50%	77.83%	85.83%
Total	**100.00%**	**100.00%**	**100.00%**
WWT revenue as % of standalone revenue from operations	98.55%	96.57%	94.49%
Standalone revenue from operations (₹ million)	5,219.22	4,743.96	5,588.50
Standalone revenue in the fourth quarter (₹ million)	2,751.88	2,899.95	3,342.01
Fourth-quarter revenue as % of fiscal revenue	52.73%	61.13%	59.80%

A significant portion of revenue is made / realised between October and March. The second-half concentration is attributed to the timing of government budget releases and to the monsoon slowing on-site civil construction and installation by EPC companies in the first half.

Wastewater Recycling & Reuse (WRR) – 1.77%

- **Scope:** WRR technologies for tertiary treatment of treated wastewater to make it fit for recycling and reuse in industrial applications – design, engineering, manufacturing, procurement, supply, installation and commissioning of UF, CCRO and MBR projects / plants, for greenfield projects and for upgrading existing WWT plants with tertiary treatment.

- **Supply arrangement:** exclusive supply agreement with DuPont (2024; amended June 2025) for exclusive supply in India of submerged UF membranes (L20N V2 and S10N V2), CCRO systems and B50N MBR modules. The first WRR order was secured in July 2025, and FY26 WRR revenue was ₹142.10 million (1.77% of revenue from operations).
- **Customers:** EPC companies bidding for STP / WRR projects, ultimately serving municipalities and government agencies; business is conducted through purchase orders or letters of intent.
- **Technology selection:** based on targeted water quality, feedwater characteristics, recovery and energy-efficiency goals, space constraints and life-cycle costs.



Role of SFC in a wastewater reuse & recycle plant (technology & supply driven tertiary treatment)

WRR technologies

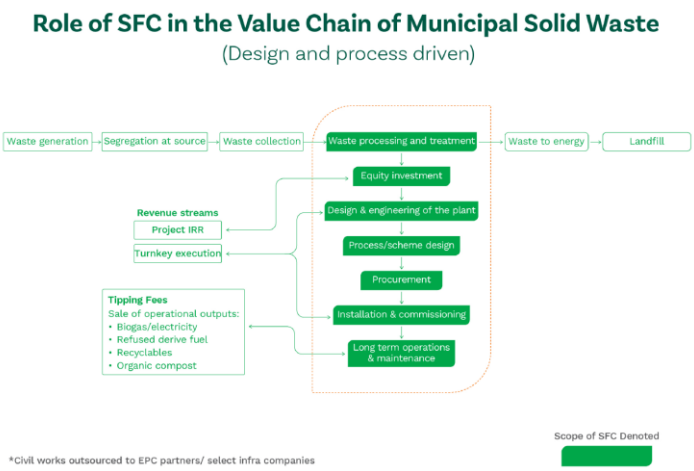
Technology	How it works	Key features
Ultrafiltration (UF)	Ultrafine membrane separates particulate matter from soluble compounds; removes particles larger than 0.02 microns, including bacteria and viruses (traditional media filters remove down to ~5 microns)	Consistent product quality (turbidity / SDI); tolerance to feedwater fluctuations; no pretreatment chemicals; compact; reduces fouling when used as RO pretreatment
Closed Circuit Reverse Osmosis (CCRO)	Single stage of parallel membrane housings with a low-pressure circulation pump; concentrate recirculated and periodically flushed at software set points while permeate production continues	Higher single-pass recovery than conventional RO (where each stage typically achieves 50% and 75% needs at least two stages); flexibility across feedwater conditions; lower energy and water loss; lower fouling risk
Membrane Bioreactor (MBR) – B50N, DuPont MemPulse™ 'N' series	Suspended-growth biological treatment combined with membrane filtration; pulsed, plug-flow aeration releases large air bubbles that scour membrane fibres	Effluent BOD below 5 mg/L in a compact area; specific energy as low as 0.07 kWh/m³; aeration energy reduction of up to 65% versus conventional MBR; reduced fouling and maintenance

WRR market context (F&S Report)

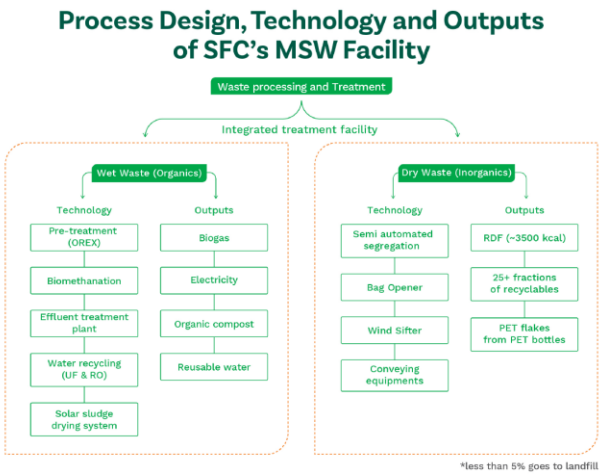
- The Indian tertiary treatment market was valued at ₹7.40 billion in FY2021 and ₹18.70 billion in FY2026; it is expected to reach ₹25.55 billion in FY2027 and ₹70.13 billion by FY2031F (30.26% CAGR FY2026–FY2031F).

Solid Waste Treatment (SWT) – 17.44%

- **Scope:** technology solutions for solid waste treatment comprising design, engineering, turnkey solutions and O&M, and for processing agricultural biomass into biogas, which can be converted into bio-CNG or electricity. Revenue streams include project execution, generation and sale of energy, sale of recyclables and compost, O&M services and tipping fees.
- **OREX technology:** a proprietary multi-stage system that separates biodegradable organics from inorganic materials and lignocellulosic fibres in mixed municipal waste, producing a homogenous de-gritted organic slurry with more than 98% biodegradable material for downstream digesters (F&S Report).
- **Operating features (F&S Report):** average biogas yield of more than 150 Nm³ per ton of organic waste at the North Goa Plant in the last financial year versus an industry average of 80–100 Nm³/ton; digestate converted into compost; recovery of a higher proportion of recyclables than the industry average; balance dry fraction (RDF) with a calorific value of about 3,000–3,500 kcal/kg, usable as alternate fuel including in cement plants. The Saligao (North Goa) plant has operated continuously for over 10 years.
- **Customers:** Goa Waste Management Corporation and an oil marketing company; SWT projects are typically awarded through competitive bidding with pre-qualification on technical and financial strength.



Role of SFC in the value chain of municipal solid waste



Process design, technology and outputs of SFC's MSW facility

SWT business models

- **Concessions with municipal corporations / governmental authorities:** two integrated SWT facilities in Goa for GWMC on a PPP and turnkey model; the Company undertakes capital investment for such projects based on agreed project terms.
- **Joint ventures with oil marketing companies:** (i) a joint venture agreement (HWTPL, December 19, 2025) with an Indian city gas distribution company to explore CBG and waste-to-energy (WtE) plants; (ii) Hind Oil Biofuels Pvt. Ltd., incorporated under a joint venture agreement (May 20, 2026) between HWTPL and a wholly owned subsidiary of an Indian oil and gas company for setting up and operating CBG and WtE plants; (iii) an MoU with an Indian oil and natural gas conglomerate to set up MSW plants producing CBG; and (iv) provisional selection as joint venture partner for a CBG plant of up to 1,000 TPD of segregated organic MSW in Mumbai. Under the 50:50 JV structure, the Company would make equity investment for its share; quantum and timing are under discussion.
- **Engineering & supply to third parties:** end-to-end solutions from project development, design and engineering, equipment supply, construction and commissioning to long-term O&M, including turnkey solutions through an EPC model. The marketing approach involves participating in tenders for JV or technology partners, particularly those floated by oil and gas marketing companies with CBG blending obligations.

Integrated SWT facilities in Goa – concession terms

Particulars	North Goa Plant (HWTPL)	South Goa Plant (VWTPL)
Location	Survey No. 47, Calangute, Bardez, North Goa	Survey No. 164/8, 165/1, 167–169, Curchorem, Cacora, South Goa
Concession agreement	August 14, 2014; DBFOT; 100 TPD MSW facility (recycle & sorting line, segregation, bio-methanation, in-vessel composting)	February 20, 2020; DBFOT; 100 TPD MSW facility of the same configuration
Term	O&M for 10 years from August 2016; extended by GWMC until August 20, 2027 or until a subsequent operator assumes O&M after transition, whichever is earlier; no automatic renewal; HWTPL may match the best evaluated bid for a further 10 years (no tender issued)	11.5 years from site takeover: 1.5 years for construction and 10 years of operation
Expansion / start	2020 contract to expand to 250 TPD, completed February 2022	Operations commenced May 4, 2023
Revenue sources	Annual operation support grant; tipping fees (monthly charges payable by GWMC for O&M); sale of electricity from biogas; sale of recyclables such as PET flakes (processed for yarn manufacturing); scrap; remediation services	Tipping fees; sale of electricity from biogas; scrap; remediation services
Accounting model	Service concession – intangible asset model	Service concession – financial asset model

Treatment capacities of the Goa plants are set out in Section 6. Upon expiry, HWTPL must hand back the project facilities and provide transition assistance; the carrying value of assets to be handed over was ₹13.92 mn at March 31, 2026 and nil at June 30, 2026.

HWTPL and North Goa Plant revenue (standalone)

₹ million	FY24	FY25	FY26	Q1FY27
HWTPL revenue from operations	499.35	724.56	1,172.67	474.23
HWTPL operating EBITDA	174.17	211.99	210.65	66.39
HWTPL profit after tax	102.54	134.52	127.51	20.61
Revenue attributable to North Goa Plant	499.35	724.56	465.49	116.93
% of HWTPL revenue	100.00%	100.00%	39.69%	24.66%
of which O&M under the North Goa concession	317.00	335.29	349.03	91.93

North Goa revenue includes non-recurring revenue from EPC, design, engineering and construction services and remediation and ancillary civil work; O&M revenue primarily comprises tipping fees, sale of electricity from biogas, sale of recyclables including PET flakes, and scrap.

CBG and agro-waste projects

- **CBG orders:** through HWTPL, orders from a public sector oil marketing company for engineering, procurement, commissioning and O&M for 10 years of a 125 TPD unsegregated MSW CBG plant at Tinsukia, Assam (April 2025) and a 300 TPD segregated MSW CBG plant at Bhubaneswar, Odisha (May 2025); order details are in Section 4.

- **Agro-waste:** Pentagen Biofuels holds, on lease, an agro-based biogas plant at Hoshiarpur, Punjab that converts biomass into biogas used to generate electricity supplied to the grid, under an agreement for operation of the power plant dated September 8, 2023 with a domestic biomass power entity; it entered into a term sheet in 2025 to acquire a biogas facility based on agricultural residues at Hoshiarpur, and acquired 7.73 hectares at Nanded, Maharashtra for an agricultural-waste-to-biogas plant. Agro-based projects can be developed on a private basis rather than through government tenders.
- **SWT contract terms:** a fixed rate is generally agreed for SWT services, with limited price escalation after a specified period; government contracts may include unilateral termination rights, liability for defects after termination, O&M compliance commitments and unilateral scope changes.

SWT market context (F&S Report)

- The CBG blending obligation requires oil marketing companies to blend CBG into their fuel infrastructure, starting at 1% in FY2025-26 and rising to 5% from FY2028-29, and mandates oil and gas marketing companies to set up CBG projects from organic waste and biomass.
- CBG production in India is estimated at 1.7 MMTPA in FY2026A and could reach 26.5 MMTPA by FY2031E; market value is estimated to rise from ₹93.5 billion to ₹1,457.5 billion (~73% CAGR).

Automation – Chavare Engineering – 13.25%

- **Scope:** manufacturing of LV control panels, implementation of PLC and SCADA-based automation systems and electrical and automation turnkey projects. A controlling stake was acquired in 2011. Its solutions form part of WWT and SWT installations, while a substantial portion is supplied to players in other sectors.
- **Joint venture:** Endress + Hauser & Chavare Engineering (JV) Pvt. Ltd. bids for and undertakes water / wastewater automation tenders issued by governmental authorities.
- **Financials:** segment revenue and results are shown in the segment tables above; the PLC manufacturing unit's capacity and utilisation are in Section 6.

Order Book

- Total Order Book comprises the estimated value of unexecuted portions of existing contracts or orders (including long-term O&M contracts / orders) and the estimated value of new projects supported by letters of award, letters of intent, MoUs or similar commitments from customers. It represents business considered firm or likely to fructify in the foreseeable future based on the current status of customer engagement, and aggregates the WWT, WRR and SWT order books.

Order book by segment

₹ million, as at	WWT	WRR	SWT	Total Order Book
Mar 31, 2024 (FY24)	6,564.47	-	1,287.87	7,852.34
As a % of div revenue	*125.17%*	*256.61%*	-	
Mar 31, 2025 (FY25)	4,597.53	-	1,006.34	5,603.86
As a % of div revenue	*97.98%*	*84.31%*	-	
Mar 31, 2026 (FY26)	5,710.84	5,009.22	5,025.16	15,745.21
As a % of div revenue	*105.22%*	*358.52%*	*3,525.13%*	
Jun 30, 2026 (Q1FY27)	5,612.46	5,497.72	4,590.47	15,700.65
As a % of div revenue	*864.61%*	*862.04%*	-	

Key orders

Order	Scope	Date
125 TPD unsegregated MSW-based CBG plant, Tinsukia, Assam – public sector oil marketing company (SWT, through HWTPL)	Engineering, procurement, commissioning and O&M for 10 years	April 2025
300 TPD segregated MSW-based CBG plant, Bhubaneswar, Odisha – public sector oil marketing company (SWT, through HWTPL)	Engineering, procurement, commissioning and O&M for 10 years	May 2025
First WRR order (WRR)	WRR project supply	July 2025
80 MLD WWT project, Bangladesh (WWT)	WWT solutions	2024

The two CBG orders are worth ₹5,017.00 million cumulatively; both plants are under construction, with contract costs recorded in project cost.

Nature of orders and order-related conditions

- **WWT and WRR:** the Company usually does not enter into long-term contracts and operates through purchase orders or letters of intent of varying durations, which can generally be terminated by customers with or without notice; commercial terms vary by project.
- **Cancellations:** apart from the cancellation of two purchase orders before commencement of execution in Fiscal 2027, no project in the order book was cancelled or terminated in Q1FY27 and FY24–FY26.
- **Execution:** WWT supplies are delivered over six to 12 months from order receipt, depending on the customer's construction schedule; for some contracts, customers must perform certain actions before the technology can be installed, and completion depends on the EPC customer's approvals, site clearance and funding.
- **SWT:** projects are awarded through competitive bidding subject to qualification criteria; some agreements are for fixed periods without automatic renewal; awarded projects may be challenged by unsuccessful bidders; liquidated damages may be levied for execution delays.

SWT bids submitted since April 1, 2022

Bids submitted	Awarded	Under evaluation	Not awarded
5	2	1	2

Excludes tenders subsequently discontinued.

Payment Terms and Revenue Realisation

Revenue recognition policies

Revenue type	Recognition
Sale of goods	Recognised at a point in time when control of goods transfers to the customer, generally on delivery, at the transaction price net of variable consideration and excluding taxes collected on behalf of the government
Sale of services	Recognised at a point in time when the performance obligation is satisfied, typically on completion of the service or achievement of a delivery milestone when the customer obtains control
Fixed price contracts	Recognised over time using the percentage of completion method (cost of work performed to date / total estimated contract cost) at cost plus proportionate margin; where the outcome cannot be reasonably measured but costs are expected to be recovered, revenue is recognised only to the extent of costs incurred
Service concession – financial asset model (VWTPL, South Goa)	Complete project revenue for setting up the plant was billed to GWMC, of which 25% was retained by GWMC as the concessionaire's share of investment. Against this, VWTPL is entitled to an Annual Capital Grant with return on equity for 10 years from FY2024; a financial asset (total annuity receivable) is recognised to the extent of the unconditional right to receive payment, initially at fair value and then at amortised cost
Service concession – intangible asset model (HWTPL, North Goa)	Construction of the North Goa Plant (originally 100 TPD), to be handed over to GWMC at the end of the 10-year concession from FY2016-17, was to be paid over the concession period. Construction cost is capitalised as "Project Assets" (intangible) and amortised over the concession; the annual capital grant is recorded as sale of service; revenue is recognised over time as per the concession
Other	Costs to obtain a contract that are incurred regardless of whether the contract is obtained are expensed; scrap sales arising from operating activity form part of revenue from operations

Payment, billing and security terms

- **WWT / WRR:** operations run on purchase orders or letters of intent negotiated case by case, with commercial terms varying for each project. To reduce financial risk on trade receivables, the Company emphasises securing payments through letters of credit. Bills are discounted under letters of credit with usance of up to 180 days and under RXIL with issuance of up to 90 days (bills discounted: ₹54.51 mn at March 31, 2024; nil at March 31, 2025; ₹635.34 mn at March 31, 2026; ₹334.10 mn at June 30, 2026).
- **Advance and payment schedules:** working capital requirements may increase if payment terms include reduced advance payments or longer payment schedules, and modified payment terms for new projects may require higher working capital.
- **SWT:** customer agreements required investment of up to 25% of project cost as equity, repaid over several years after commissioning; performance bank guarantees of up to 10% of project cost are released after the completion certificate or another agreed milestone. Monthly invoices are submitted for valuation of materials used in SWT operations, and tipping fees are monthly charges payable by GWMC for O&M of the Goa plants. Government contracts carry fixed payment intervals and terms.
- **Credit policy:** credit is extended based on prevailing market credit terms, with credit limits approved and monitored; the credit period for non-current trade receivables is based on contract terms (generally more than 365 days).
- **Contractual conditions affecting collection:** customers may set off payment obligations for warranty, repair or replacement costs; liquidated damages may be payable for delays; payments from government entities may be delayed by their internal processes. There were no instances of delay in receiving payment of significant outstanding dues in Q1FY27 and the three preceding fiscals.

Receivables, inventory and payables days (standalone)

₹ million / days	FY24	FY25	FY26	Q1FY27
Inventory	568.34	637.21	777.98	949.11
Trade receivables	2,812.78	3,404.60	4,312.34	3,119.43
Trade payables	973.39	660.81	1,128.78	447.78
Inventory days	78	106	106	239
Trade receivable days	197	262	282	443
Trade payable days	134	109	153	113
Cash conversion cycle (days)	**141**	**259**	**235**	**569**

Period-end basis: receivable days = trade receivables × 365 / revenue from operations; inventory and payable days use cost of goods sold; June 30, 2026 annualised (365/4). Standalone trade receivables were ₹1,916.94 mn at June 30, 2025 (697 days). On a consolidated average-balance basis, the cash conversion cycle KPI was 156 days (FY24), 232 (FY25), 242 (FY26), 636 (Q1FY26) and 411 (Q1FY27); higher quarterly days reflect seasonality and a lower first-quarter revenue base.

Ageing of trade receivables (standalone, net of expected credit loss)

₹ million, outstanding from due date	FY24	FY25	FY26	Q1FY27
Not due	1,520.40	1,090.76	3,300.82	1,333.22
Less than 6 months	918.16	1,937.76	359.24	1,175.79
6 months – 1 year	49.13	131.73	99.45	69.18
1–2 years	246.76	139.64	438.53	428.93
2–3 years	55.53	44.98	48.03	50.10
More than 3 years	22.80	59.74	66.27	62.20
Total trade receivables	**2,812.78**	**3,404.60**	**4,312.34**	**3,119.43**
Expected credit loss allowance (deducted above)	92.93	96.73	101.13	101.48
Receivables more than six months old	374.21	376.08	652.28	610.42
As % of trade receivables	13.30%	11.05%	15.13%	19.57%

Gross undisputed receivables with a significant increase in credit risk were ₹37.71 mn and credit-impaired receivables ₹73.01 mn (FY24), ₹72.48 mn (FY25) and ₹72.75 mn (FY26, Q1FY27), all over three years. Over 80% of trade receivables as of March 31 of each year were not yet due or due for less than six months; receivables over six months are subject to periodic follow-ups, reconciliations and internal escalations.

Trade receivables (consolidated, net of expected credit loss)

₹ million	FY24	FY25	FY26	Q1FY27
Unbilled	-	-	2.64	4.30
Not due	1,563.90	1,134.26	3,898.80	1,623.42
Less than 6 months	1,472.40	2,794.66	884.43	1,753.02
6 months – 1 year	26.63	140.40	184.99	139.37
1–2 years	254.68	147.74	945.19	940.58
2–3 years	64.33	58.37	77.83	58.39
More than 3 years	29.41	75.03	93.77	89.38
Current trade receivables	**3,411.36**	**4,350.46**	**6,087.64**	**4,608.46**
Non-current trade receivables (unbilled and not due)	533.78	523.25	514.08	502.66
Expected credit loss allowance on current receivables	94.17	101.62	109.97	110.31

Non-current receivables comprised unbilled amounts of ₹196.39 mn, ₹205.10 mn, ₹206.48 mn, ₹205.89 mn and ₹204.17 mn and not-due amounts of ₹337.38 mn, ₹318.16 mn, ₹310.82 mn, ₹308.19 mn and ₹298.49 mn at the respective dates. Trade receivables are hypothecated for secured borrowings.

Year-end receivables and fourth-quarter revenue (standalone)

₹ million	FY24	FY25	FY26
Trade receivables at March 31	2,812.78	3,404.60	4,312.34
Revenue from operations	6,574.95	6,978.58	8,036.29
Revenue from operations in the fourth quarter	2,751.88	2,899.95	3,342.01
Trade receivables as % of fourth-quarter revenue	102.21%	117.40%	129.03%

A larger proportion of fourth-quarter sales remains outstanding at year-end, so a large portion of year-end receivables relates to recent fourth-quarter sales and is generally realised in the subsequent fiscal.

A significant portion of revenue from operations is realized in the fourth quarter (Q4), as detailed in the accompanying explanatory table

Working capital and funding (standalone)

₹ million / days	FY24	FY25	FY26	Q1FY27
Trade receivable days	197	262	282	443
Inventory days	78	106	106	239
Trade payable days	134	109	153	113
Net working capital requirement	**2,084.47**	**3,012.94**	**3,643.15**	**3,602.05**
Net working capital as % of revenue from operations	39.94%	63.51%	65.19%	561.06%
Funded by borrowings (incl. bill discounting)	725.92	120.00	1,225.34	1,309.12
Funded by internal accruals and equity	1,358.55	2,892.94	2,417.81	2,292.93
Funded from Net Proceeds of the Fresh Issue	-	-	-	-
Working capital loans as % of total borrowings	88.95%	61.22%	95.20%	95.74%

As certified by H H Dedhia & Associates (October 19, 2026). The Fiscal 2027 projection assumes 220 receivable days given the high share of fourth-quarter revenue, 96 inventory days (average of preceding three fiscals) and 132 payable days (average of preceding three fiscals). Of the Fresh Issue of ₹1,500.00 mn, ₹749.17 mn is proposed for working capital and ₹422.28 mn for prepayment of borrowings of the Company and VWTPL in Fiscal 2027.

Operating cash flow and receivables movement (consolidated)

₹ million	FY24	FY25	FY26	Q1FY26	Q1FY27
Net cash flow from operating activities	(116.94)	655.09	(258.02)	320.70	(213.42)
Cash impact of change in trade receivables	(1,709.69)	(936.52)	(1,736.36)	1,596.93	1,490.25

FY: financial year ended March 31; Q1FY26 / Q1FY27: three months ended June 30, 2025 / June 30, 2026 (not annualised and not comparable with full-year figures). All figures in ₹ million unless stated otherwise.

Capacity, Facilities and Utilisation

Facilities

Facility	Operated by	Location	Activity	Tenure
Registered Office	Company	The Ambience Court, Vashi, Navi Mumbai	Registered office	Owned
Corporate Office	Company	2201-2202, Rupa Renaissance, Turbhe, Navi Mumbai	Corporate office	Leased
Additional office	Company	2802, Rupa Renaissance, Turbhe, Navi Mumbai	Additional office for the group	Leased
Decanter Unit I	Company	PAP G/8/7, Chakan Industrial Area Phase-III, Kuruli, Pune	Decanters (Dec 1, 2022 – Dec 15, 2023); storage and solar sludge dryer assembly in FY25	Leased; vacated April 2025
Decanter Unit II	Company	PAP-S-79, Chakan Industrial Area Phase-II, Savardari, Pune	Moving arm decanters (SS304 / SS316); solar sludge drying systems order to order	Leased
Bhamboli Unit	Company	Gat No. 352/1, Bhamboli, Khed, Pune (5,292.81 sq. m built-up)	STTC machines and fabrication; intended for solar sludge dryers, diffusers, hollow fibre membranes and WWT / SWT equipment	Leased
Diffuser unit	Fine Aeration Systems	Unit No. 3, Nissar Industrial Park, Andori, Khandala, Satara	Diffusers	Owned
Blower unit	Turbomax India (associate)	D-32, MIDC Phase II, Sagaon, Dombivli	Turbo blowers	Leased
PLC unit	Chavare Engineering	D Unit II, Plot TS-19, MIDC Phase II, Sagaon, Dombivli (East)	Electronic panels, boards	Owned
C-MEM hollow fibre unit	SFC Ekotechnika s.r.o.	Krizikova 2107, Benesov, Czech Republic	C-MEM hollow fibre	Leased
North Goa Plant	HWTPL	Calangute, Bardez, North Goa	Integrated MSW treatment	Concession (DBFOT)
South Goa Plant	VWTPL	Curchorem, Cacora, South Goa	Integrated MSW treatment	Concession (DBFOT)
Agro biogas plant	Pentagen Biofuels	Hoshiarpur, Punjab	Biomass to biogas for grid electricity	Leased
Nanded land (7.73 ha)	Pentagen Biofuels	Gat No. 141 & 145, Khadakmanjri, Loha, Nanded	Proposed agricultural-waste-to-biogas plant	Purchased Nov 26, 2024



Decanter Unit II, Chakan (Pune)



Diffuser manufacturing unit, Satara



Blower manufacturing unit, Dombivli

Installed capacity, production and utilisation

Unit / product	Particulars	FY24	FY25	FY26	Q1FY27
Decanter Unit I – moving arm decanter (meters)	**Installed capacity**	**90 / month**	**-**	**-**	**-**
	Actual production	498.20	-	-	-
	Capacity utilisation	69.19%	-	-	-
Decanter Unit II – moving arm decanter (meters)	**Installed capacity**	**210 / month**	**210 / month**	**210 / month**	**210 / month**
	Actual production	717.00	2,235.80	2,949.20	518
	Capacity utilisation	97.55%	88.72%	117.03%	82.22%
Bhamboli Unit – STTC machines (numbers)	**Installed capacity**	**-**	**-**	**32 / year**	**32 / year**
	Actual production	-	-	12.00	In progress
	Capacity utilisation	-	-	99.91%	In progress
Diffuser assembly and aeration piping (numbers)	**Installed capacity**	**10,000 / month**	**10,000 / month**	**10,000 / month**	**10,000 / month**
	Actual production	54,996	77,476	97,611	13,396
	Capacity utilisation	45.83%	64.56%	81.34%	44.65%
Turbo blower assembly (numbers)	**Installed capacity**	**30 / year**	**30 / year**	**30 / year**	**30 / year**
	Actual production	6	3	21	4
	Capacity utilisation	20.00%	10.00%	70.00%	53.33%
Electronic panels, boards – PLC (numbers)	**Installed capacity**	**5,500 / year**	**5,500 / year**	**5,500 / year**	**5,500 / year**
	Actual production	4,076	3,456	3,658	743
	Capacity utilisation	74.12%	62.84%	66.51%	54.04%
C-MEM hollow fibre (pieces)	**Installed capacity**	**6,000 / year**	**6,000 / year**	**6,000 / year**	**6,000 / year**
	Actual production	2,730	750	4,160	1,200
	Capacity utilisation	45.50%	12.50%	69.33%	80.00%

Decanter Unit I: FY24 calculated for April 1 – December 15, 2023, after which decanter manufacturing shifted to Decanter Unit II; in FY25 the premises were used for storage and for assembly of 14 solar sludge drying systems (September 2024 – March 2025) before being vacated in April 2025. Decanter Unit II commenced December 16, 2023 (FY24 calculated from that date); its installed capacity is based on standard one-shift operations. Bhamboli Unit commenced November 15, 2025 (FY26 calculated from that date) and also fabricates assemblies on a need basis; STTC manufacturing was in progress in Q1FY27. Diffuser unit commenced April 27, 2023; blower unit commenced February 15, 2024. C-MEM hollow fibre is produced on an order-driven basis; FY25 production was lower as production with inventory at March 31, 2024 met demand. Certified by A N Somase and Associates, Chartered Engineer (October 19, 2026); based on assumptions and estimates.

Solid waste treatment capacity (Goa)

Plant	Built treatment capacity	Additional handling capacity	Total capacity	Operations commenced
North Goa Plant (HWTPL)	250 TPD (originally 100 TPD; expansion completed February 2022)	20% of input waste	300 TPD	August 2016
South Goa Plant (VWTPL)	100 TPD	25% of input waste	125 TPD	May 4, 2023
Total	**350 TPD**	**75 TPD**	**Up to 425 TPD**	

Waste treatment capacity utilisation is driven by the quantity of solid waste received (MSW plants) and the availability of agro-waste or residues (agro-waste plants).



North Goa Plant (HWTPL)



South Goa Plant (VWTPL)



Agro biogas generation plant, Hoshiarpur

Expansion, projects under development and capital expenditure

- **Bhamboli Unit (new manufacturing unit, Pune):** premises leased from September 2024 to set up a new manufacturing unit for solar sludge dryer systems, diffusers, hollow fibre membranes and fabrication of WWT and SWT equipment; operations commenced November 15, 2025 with STTC machine manufacturing.
- **Decanters:** manufacturing commenced in Fiscal 2023 and capacity was expanded in Fiscal 2024 by shifting to the larger Decanter Unit II due to increasing production requirements.
- **CBG plants:** the 125 TPD Tinsukia (Assam) and 300 TPD Bhubaneswar (Odisha) CBG plants being executed under EPC and 10-year O&M orders from a public sector oil marketing company are under construction.
- **Agro-waste greenfield:** 7.73 hectares purchased at Nanded, Maharashtra on November 26, 2024 for a plant converting agricultural waste into biogas; term sheet (2025) for acquisition of a biogas facility based on agricultural residues at Hoshiarpur, Punjab.
- **JV pipeline:** provisional selection as joint venture partner for a CBG plant of up to 1,000 TPD of segregated organic MSW in Mumbai.
- **Capital expenditure:** capital expenditure on property, plant and equipment was ₹274.96 mn (FY24), ₹266.01 mn (FY25), ₹141.53 mn (FY26), ₹56.40 mn (Q1FY26) and ₹4.78 mn (Q1FY27), funded primarily through internal accruals and equity. Contracts remaining to be executed on capital account were nil, and there were no future capital commitments as on June 30, 2026.
- **Key plant and machinery (owned, new, as of June 30, 2026):** TIG welding and hard plasma cutting machine, radial drill machine, double girder and single girder EOT cranes, fixtures for testing saddles and wedges, saddle mould, servo-controlled drilling machine, PVC pipe slotting machine, hydraulic electrical busbar bending, shearing and piercing machines, insulation tester, electronic thickness tester, high voltage testing equipment, CNC gasketing machine and DAS system.

Key lease terms

Premises (lessor)	Period	Rental (excluding GST)
Decanter Unit II, Chakan (Landge Engineering Pvt. Ltd.)	60 months from October 1, 2023	₹1,125,000 per month in year 1, rising to ₹1,181,250, ₹1,240,313, ₹1,302,329 and ₹1,367,446 in years 2–5
Corporate Office, 2201-2202 Rupa Renaissance (Plenitude Financial Services; leave and licence dated April 30, 2024)	108 months from May 15, 2024	₹3,065,580 per month in years 1–3; ₹3,525,417 in years 4–6; ₹3,701,566, ₹3,886,961 and ₹4,081,114 in years 7, 8 and 9
Bhamboli Unit (Kamal Ramdas Padwal through power-of-attorney holder Swaraj Induslog Park)	120 months from September 1, 2024	₹1,701,000 per month plus GST; 2.99% escalation for the next year and 5% annually for the remaining eight years
2802 Rupa Renaissance (Rupa Renaissance Ltd.)	108 months, May 1, 2026 – April 30, 2035	Rent-free to July 15, 2026; ₹17,66,100 per month to April 30, 2027, rising annually to ₹26,09,334 per month for May 2034 – April 2035

None of the lessors is a related party; stamp duty is paid and the leases are registered.

Suppliers, Sourcing and Cost of Goods Sold (COGS)

Supplier base and procurement

- **Key suppliers:** top suppliers contributing the majority of procurement include TurboMax Company Ltd., Smicon B.V., Yucheon International Co. Ltd., BMD Engineering Pvt. Ltd., Rexel India Pvt. Ltd., Environmental Dynamics International Inc., CEE Square Engineers and Environmental Dynamics International India Pvt. Ltd. Named top-10 suppliers over the period also include SSI Aeration Pvt. Ltd., Gatilek Pvt. Ltd., Akash Steel Crafts Pvt. Ltd., Sonalika Metal Corporation and Sangeeta Metal Corporation.
- **Procurement process:** materials and components are typically purchased through purchase orders setting out quantity, pricing and delivery, placed in advance based on anticipated requirements; there are no continuing and exclusive supply agreements with all suppliers. Laser cutting and bending for decanters is outsourced to approved suppliers, with other processes undertaken in-house.
- **Exclusive arrangements:** an exclusive supply agreement with one supplier prevents engaging other suppliers for the components it supplies; distributor / supply / licence agreements with certain foreign suppliers give exclusive rights to procure, sell or manufacture technology components. Under the DuPont agreement, the supplier may terminate if the Company fails to meet the minimum quantity for supply of certain products.
- **Supplier network:** suppliers in India and in over six countries, including the United States, South Korea, the Netherlands, Austria, Germany and China. No supplier failed to fulfil obligations in a manner that caused a material adverse impact in Q1FY27 and the last three fiscals, and there were no significant delays or interruptions in imports.

Key inputs and sourcing

Category	Sourcing
Decanters and core parts	Key raw materials sourced from multiple external vendors; decanters manufactured in-house
Diffusers	Membranes, PVC pipes and clamps from multiple external vendors; diffusers sourced from subsidiary Fine Aeration Systems
PLC	CRCA panel boxes and electronic hardware from multiple external vendors; PLCs sourced from subsidiary Chavare Engineering
Turbo blowers	Procured from TurboMax Company Ltd. (South Korea); associate Turbomax India manufactures turbo blowers
Fibre disc filters	Procured from Yucheon Enviro Co. Ltd. (South Korea)
WRR components and MABR	DuPont exclusive supply (submerged UF membranes, CCRO, B50N MBR modules, OXYFAS & OXYFILM)
Spares	Sourced from multiple external vendors

Supplier concentration (purchases of stock-in-trade and raw material, consolidated)

₹ million (% of purchases)	FY24	FY25	FY26	Q1FY27
Top 1 supplier	544.30 (15.83%)	312.81 (10.34%)	602.49 (17.18%)	138.58 (20.41%)
Top 5 suppliers	1,667.77 (48.52%)	961.40 (31.79%)	1,434.37 (40.89%)	271.85 (40.04%)
Top 10 suppliers	2,189.94 (63.71%)	1,442.76 (47.71%)	1,952.61 (55.66%)	369.86 (54.48%)

Cost structure (consolidated)

₹ million	FY24	FY25	FY26	Q1FY27
Purchases of stock-in-trade	2,055.52	1,274.64	1,898.89	324.64
Cost of material consumed	1,220.24	1,767.43	1,556.21	277.95
Changes in inventories	(162.69)	93.40	(199.72)	(95.77)
Cost of goods sold	**3,113.07**	**3,135.47**	**3,255.38**	**506.83**

Cost of goods sold is the aggregate of cost of raw materials consumed, purchases of stock-in-trade and changes in inventories of finished goods and work-in-progress. Project cost is the contract cost for execution services relating to the SWT facilities at North Goa, South Goa, Tinsukia (under construction) and Bhubaneswar (under construction).

Raw material purchases – domestic and imported

₹ million (% of total)	FY24	FY25	FY26	Q1FY27
Imported	212.88 (15.40%)	126.97 (7.26%)	199.30 (12.39%)	64.70 (18.26%)
Domestic	1,169.14 (84.60%)	1,622.39 (92.74%)	1,409.69 (87.61%)	289.57 (81.74%)
Total purchase of raw material	**1,382.02**	**1,749.36**	**1,608.98**	**354.27**

Imported raw materials by item

₹ million	FY24	FY25	FY26	Q1FY27
Membrane	142.05	109.53	174.33	44.97
Analytical instrumentation system	11.57	-	-	-
Saddle	26.07	0.12	-	-
Plugs	6.05	-	-	-
Wedge	5.49	1.60	-	-
Clamps	1.63	0.09	0.20	-
UPVC fittings & other tools	3.36	0.46	1.47	0.78
Accessories of variable frequency drive	0.15	-	-	-
Accessories of depackaging machine	-	-	-	10.46
Import related charges / expenses*	16.50	15.16	23.29	8.49
Total imports	**212.88**	**126.97**	**199.30**	**64.70**

Imported raw materials by country

₹ million (% of total raw material purchases)	FY24	FY25	FY26	Q1FY27
USA	179.66 (13.00%)	111.26 (6.36%)	174.33 (10.83%)	44.97 (12.69%)
Switzerland	11.25 (0.81%)	-	-	-
Germany	1.94 (0.14%)	-	-	-
China	3.36 (0.24%)	0.55 (0.03%)	1.67 (0.10%)	0.78 (0.22%)
United Kingdom	0.15 (0.01%)	-	-	-
Netherlands	-	-	-	10.46 (2.95%)
Import related charges / expenses*	16.50 (1.19%)	15.16 (0.87%)	23.29 (1.45%)	8.49 (2.40%)
Total imports	**212.88 (15.40%)**	**126.97 (7.26%)**	**199.30 (12.39%)**	**64.70 (18.26%)**

** To the extent recorded separately.*

Purchases of stock-in-trade – domestic and imported

₹ million (% of total)	FY24	FY25	FY26	Q1FY27
Domestic	452.51 (22.01%)	361.09 (28.33%)	586.39 (30.88%)	116.08 (35.76%)
Imported	1,603.02 (77.99%)	913.55 (71.67%)	1,312.50 (69.12%)	208.56 (64.24%)
Total purchases of stock-in-trade	**2,055.52**	**1,274.64**	**1,898.89**	**324.64**

Key raw materials and stock-in-trade sourced from foreign suppliers include decanter core parts, membranes, turbo blowers and fibre disc filters, generally from the United States, South Korea, the Netherlands, Austria, Germany and China.

Foreign currency exposure (consolidated)

₹ million	FY24	FY25	FY26	Q1FY27
Net financial assets – USD	41.84	32.26	36.27	36.14
Net financial assets – Euro	0.72	0.04	36.90	32.48
Net financial assets – other currencies	0.36	0.26	0.64	0.66
Net financial liabilities – USD	775.02	393.06	871.08	288.85
Net financial liabilities – Euro	1.84	33.34	219.56	6.06
Net financial liabilities – other currencies	-	7.49	0.85	0.83
Net exposure (liabilities less assets)	**733.93**	**401.33**	**1,017.67**	**226.47**

Currency exposure arises primarily from imports and foreign currency receivables; foreign exchange exposure is hedged through forward contracts. Net loss on foreign currency transactions was ₹27.85 mn in FY26.

Business Strategy

The strategies below are the Company's stated intentions, in the order set out under "Business Strategies" in the offer document. Market figures cited within them are attributed to the F&S Report.

1. Expansion of the SWT business through large-scale SWT projects and expansion into agro-waste projects

- The Company intends to secure and deliver large-scale SWT projects by leveraging the rise in municipal solid waste from population growth and urbanisation (F&S Report); the CBG blending obligation, beginning in FY25-26 at 1% and rising to 5% from FY2028-29 (F&S Report); its experience operating two integrated SWT plants in Goa; and partnerships with OGMCs aimed at access to financial resources, assurance of offtake and scalability.
- The Company plans to partner with city gas distribution companies, which could allow it to use their pipeline networks to offtake CBG from planned waste treatment plants.
- Marketing involves participating in tenders for selecting JV or technology partners, particularly those floated by OGMCs with CBG blending obligations, and demonstrating SWT capabilities at exhibitions and trade fairs.
- Ongoing collaborations: Hind Oil Biofuels Private Limited JV; JV agreement with an Indian city gas distribution company; MoU with an Indian oil and natural gas conglomerate; provisional selection as JV partner for a CBG plant of up to 1,000 TPD segregated organic MSW in Mumbai.
- In agro-based biogas / CBG, Pentagen Biofuels Private Limited has a term sheet to acquire a biogas facility in Hoshiarpur, Punjab and has acquired land in Nanded, Maharashtra; the Company looks to continue capital investments in such projects.

2. Forward integration with technologies for recycling and reuse of wastewater

- The Company has expanded into WRR as an extension of its core business, leveraging its WWT distribution network and the exclusive DuPont supply arrangement, with the stated aim of offering a complete suite from initial sewage treatment to advanced tertiary processes.
- It intends to service the tertiary treatment market through greenfield projects and by upgrading existing WWT plants, building on orders secured for over 1,000 C-Tech plants, R&D, acquisitions and collaborations.
- WRR order book: ₹5,610.72 million as on August 31, 2026.

3. Further strengthening the core wastewater treatment business

- According to the F&S Report, C-Tech accounted for over 80% market share in the SBR segment of the wastewater treatment industry in India as of July 31, 2026, and the sewage water treatment market is projected to grow at a CAGR of 9.6% between FY25 and FY2030E (approximately 9.4% over FY25–FY2031E).
- The Company intends to retain and further strengthen its position in the SBR segment, and to continue expanding product and technology offerings and in-house manufacturing capabilities in advanced wastewater treatment (turbo blowers, fibre disc filters, solar sludge drying systems under licence from IST-Anlagenbau GmbH, and MABR – OXYFAS and OXYFILM – under the DuPont agreement).

4. Acquisitions and expansion in new geographies while strengthening presence in existing geographies

- The Company acquired 80% of IST-Anlagenbau GmbH, a Germany-based provider of solar sludge drying systems, which it expects to enhance its presence in the solar sludge drying systems market. According to the F&S Report, the global solar sludge dryer market is forecast to grow from USD 340.05 million (CY2026E) to USD 456.06 million (CY2031F).
- The Company intends to expand domestically and in international markets including the Middle East and Africa and South Asia, and actively seeks and evaluates upcoming projects, strategic tie-ups and acquisition targets that complement existing product lines.
- Past international delivery: a 10 MLD WWT project in Kenya; a 2024 order for an 80 MLD WWT project in Bangladesh. The subsidiary SFCU plans to expand to South America and Africa while catering to Europe.

5. Enhancing research and development to increase commercialised technological offerings

- R&D is focused on developing products for technological differentiation, improving quality and consistency, and improving scalability, flexibility and efficacy while maintaining competitive pricing, driven by market feedback from ongoing projects.
- SFC Umwelttechnik GmbH holds one European patent ("Recooling system and method for operating a recooling system") and has applied for two European patents, one Brazilian patent and one Indian patent.

KPI

Particulars	Units	FY24	FY25	FY26
Revenue from operations	₹ mn	6,575.0	6,978.6	8,036.3
Operating EBITDA	₹ mn	1,932.5	2,074.8	2,358.1
Operating EBITDA margin	%	29.39%	29.73%	29.34%
PAT	₹ mn	1,441.7	1,520.1	1,602.1
PAT margin	%	21.93%	21.78%	19.94%
ROE (Jun columns not annualized)	%	29.80%	24.84%	21.55%
ROCE (Jun columns not annualized)	%	28.56%	29.29%	22.21%
Net debt	₹ mn	(494.5)	(523.5)	388.2
Net worth	₹ mn	5,343.0	6,486.8	8,041.7
Net debt / equity	x	(0.09x)	(0.08x)	0.05x
Fixed asset turnover (Jun columns not annualized)	x	13.25x	10.85x	12.07x
Cash conversion cycle (Jun columns = 3M basis, 365/4)	Days	156	232	242
Total order book	₹ mn	7,852.3	5,603.9	15,745.2
Treatment installations (cumulative)	Number	577	639	705
Treatment capacity facilitated by SFC technology (cumulative)	MLD	13,907.0	15,209.5	17,144.0

Industry Overview

All industry content in this section is drawn from the report titled "Industry Report on Indian STP, Tertiary Treatment, MSW Management, and Biogas Market" dated September 23, 2026, prepared by Frost & Sullivan (India) Private Limited (the "F&S Report"), exclusively commissioned and paid for by the Company for the offer and disclosed in full in the offer document. Figures relate to calendar years (CY) or fiscal years (FY) as labelled; "E" and "F" denote the report's estimates and forecasts.

Macroeconomic context

- Global economy grew 3.4% in CY2024 and CY2025; global GDP growth is projected at 3.1% in CY2026E, stabilising around 3.1% through CY2030E.
- India's economy grew 7.6% in CY2025 after 7.1% in CY2024; Q1FY27 GDP growth was 7.8%. India's real GDP reached INR 188.0 trillion in FY25 and INR 202.4 trillion in FY26.
- Union Budget FY26-27 provides total expenditure of approximately INR 53.47 lakh crore, including capital expenditure of INR 12.22 lakh crore, targeting a fiscal deficit of 4.3% of GDP.
- Global inflation eased from 8.7% (CY2022) to 4.1% (CY2025); projected at 4.4% in CY2026E and 3.2% in CY2029E–CY2030E. India manufacturing PMI was 53.5 in July 2026.

Global water and wastewater treatment market (USD billion)

USD bn	CY19	CY20	CY21	CY22	CY23	CY24	CY25	CY26E	CY27E	CY28E	CY29E	CY30E
Water	327	286	331	336	354	370	392	411	426	454	481	496
Wastewater	417	371	429	465	490	510	542	577	613	653	692	744
Total	**744**	**657**	**760**	**801**	**841**	**880**	**934**	**988**	**1,039**	**1,107**	**1,172**	**1,240**

Exhibits 4.1 and 4.2. The text states the global wastewater treatment solutions market is projected at USD 735 billion by CY2030E, while Exhibit 4.2 shows USD 744 billion for CY2030E; both are carried. The F&S Report states CAGRs of approximately 5.8% (total, CY2025–CY2030E) and 6.6% (wastewater, CY2025–CY2030E). Global sewage treatment market: USD 274 billion (CY2019), USD 361 billion (CY2025), USD 472 billion (CY2029E), USD 507 billion (CY2030E). Southeast Asia accounted for approximately 32% of the global sewage treatment market in CY2025; the Middle East and Africa sewage market is estimated to grow from ~USD 67 billion (CY2025) to ~USD 99 billion (CY2030E). Sewage generation in CY2025: Americas ~136,500 MLD; Europe ~115,500 MLD; Southeast Asia (excluding India) ~83,500 MLD; Middle East and Africa ~62,500 MLD. Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

Sewage treatment technologies: Southeast Asia vs Middle East & Africa

Technology	Advantages	Disadvantages	SEA (potential preference)	MEA (potential preference)
Membrane Bioreactors (MBR)	High-quality water; suitable for reuse and irrigation	High investment and operational cost	Moderate	Low (due to cost)
Advanced Oxidation Process (AOP)	Removes emerging contaminants	High energy consumption	Low	Moderate (for specific applications)
Activated Sludge Process	Widely used, established technology	Requires significant space and energy	High	Moderate (due to established infrastructure)
Constructed Wetlands	Low energy consumption, natural treatment process	Requires large land area	High	Moderate (limited land availability in some areas)
Sequencing Batch Reactors (SBR)	Operational flexibility, highly efficient	Requires longer treatment time	Moderate	Low-Moderate (may not be cost-effective in all areas)
Upflow Anaerobic Sludge Blanket Reactors (UASB)	High efficiency, compact design	-	Moderate	High (suitable for areas with space limitations)

Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

Indian Water and Wastewater Treatment Market

Market size, INR billion

INR billion	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E	FY30E	FY31E
Water and wastewater treatment	199	215	231	250	268	292	319	349	382	417	455
Wastewater treatment	114	123	133	145	155	171	188	207	227	248	270

Exhibits 5.1(a) and 5.1(c). The wastewater treatment series projection columns are labelled FY2027F–FY2031F in Exhibit 5.1(c). The F&S Report states a 9.3% CAGR for water and wastewater treatment between FY26 and FY2031E. Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

FY26 segmentation (INR billion)	Water	Wastewater	Total
Municipal segment	70	125	195
Industrial segment	52	45	97
Total market			**292**

Exhibit 5.1(b). Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

For an STP sized between 20 MLD and 100 MLD, total costs typically range from INR 300 million to INR 1,000 million depending on land, technology and site conditions. According to the F&S Report, the C-Tech package accounts for about 10–15% of the total cost, while disc filters and blowers contribute 5–8% each; the remaining budget typically covers civil works, electro-mechanical systems, instrumentation and piping.

Demand drivers identified by the F&S Report

- Rising population and per capita consumption; groundwater decline in urban and peri-urban regions; seawater desalination in coastal cities such as Chennai.
- Leachate treatment: over 3,000 landfills lack proper leachate management systems.
- Decentralised solutions supported by AMRUT 2.0 and SBM-U 2.0; growing water scarcity and reuse under the National Water Policy (2012) and National Framework for Safe Reuse of Treated Wastewater (2023).
- Urbanisation and industrial growth in water-intensive segments (textiles, pharmaceuticals, chemicals, food processing); draft Liquid Waste Management Rules, 2024 propose minimum reuse obligations from 2030-31: residential societies 50% (new bulk users) / 25% (existing); institutional / commercial 40% (new) / 20% (existing).
- AMRUT: over 4,400 MLD of STP capacity added under AMRUT 1.0; as of July 2026, 605 sewerage and septage management projects worth ₹71,133 crore taken up under AMRUT 2.0. NMCG: as of February 2026, 524 projects sanctioned at INR 43,030 crore, of which 355 completed; target cumulative sanctioned sewage treatment capacity of 7,000 MLD by December 2026.
- Jal Jeevan Mission 2.0 approved March 10, 2026 with an enhanced outlay of INR 8.69 lakh crore, extended to December 2028.
- Technology developments: modular treatment plants, IoT integration and low-energy treatment technologies; a shift towards viewing wastewater as a resource.

Sewage Generation versus Treatment Capacity in India

According to the F&S Report, India's urban population generates 79,500 MLD of sewage against operational treatment capacity of 29,000 MLD, leaving a shortfall of 50,500 MLD, so that 63.5% of sewage is untreated (Exhibit 5.6, FY2023; installed capacity 40,000 MLD). The CPCB inventory published in March 2021 recorded 1,093 operational STPs (1,469 installed) across 35 states and union territories as on June 30, 2020, with 72,368 MLD urban sewage generation, 31,841 MLD installed and 26,869 MLD operational capacity.

MLD	FY15	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E	FY30E	FY31E
Sewage generation	61,948	72,368	75,850	79,500	82,875	86,393	90,061	93,884	97,870	1,02,025	1,06,106	1,10,350
Installed treatment capacity	23,277	31,841	35,690	40,000	43,777	47,911	52,436	57,387	62,806	68,737	75,611	83,172
Installed capacity as % of generation	37.6%	44.0%	47.1%	50.3%	52.8%	55.5%	58.2%	61.1%	64.2%	67.4%	71.3%	75.4%
Annual capacity addition	-	-	3,849	4,310	3,777	4,134	4,524	4,952	5,419	5,931	6,874	7,561

Exhibit 5.7(b): values in the Indian numbering format as printed. Exhibit 5.7(a) and the accompanying text give FY25 sewage generation of ~86,400 MLD and processing capacity of 47,900 MLD (operational 33,000 MLD), and FY26 operational capacity of 35,660 MLD; both versions are carried as printed. The F&S Report notes no newer nationwide CPCB inventory as of August 2026, and FY25–FY26 figures are F&S estimates, not official actuals. Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

SBR market in India

MLD	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E	FY30E	FY31E
SBR penetration (Ex. 5.7(c))	60%	60%	61%	62%	63%	64%	65%	65%	65%	65%
SBR annual market (Ex. 5.7(c))	2,300	2,600	2,300	2,600	2,900	3,200	3,500	3,900	4,500	4,900
SBR annual market (Ex. 5.7(d))	2,309	2,586	2,304	2,563	2,850	3,169	3,495	3,855	4,468	4,915
Replacement potential (Ex. 5.7(d))	281	304	329	356	386	417	450	485	533	576
Overall SBR market (Ex. 5.7(d))	2,590	2,890	2,633	2,920	3,236	3,586	3,945	4,340	5,001	5,491

Exhibits 5.7(c) and 5.7(d) print the SBR annual market at different levels of rounding; both are carried. Annual capacity addition, the base for SBR penetration, is in the table above. The F&S Report states SBR represents about 28% to 30% of installed capacity for municipal and industrial plants in India (section 5.10) and estimates SBR market share at 30–35%, with ~60% of incremental treatment capacity in FY2021–FY25 (Exhibit 5.21). Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

According to the F&S Report, the Indian sewage water treatment market grew at a CAGR of 5.4% between FY2020 and FY25 and is projected to grow at a CAGR of 9.6% between FY25 and FY2030E and approximately 9.4% over FY25–FY2031E.

Regulation, Funding and Contracting Models in Sewage Treatment

- **Technology approval:** CPCB does not prescribe a single mandatory STP technology; technologies are evaluated and approved through SPCB consent mechanisms based on compliance with CPCB-notified effluent standards. Commonly deployed: SBR (including cyclic activated sludge variants), ASP, MBR and MBBR.
- **Mandated STPs:** housing and real estate projects exceeding 20,000 square metres of built-up area are typically required to install on-site STPs.
- **Enforcement:** since 2019, National Green Tribunal orders have strengthened enforcement of discharge standards (BOD, COD, TSS, nitrogen, pH, fecal coliform). Maximum fines under the Water Act are INR 5 lakh; NGT has imposed environmental compensation for mismanagement of sewage and solid waste.
- **Hybrid Annuity Model (HAM):** adopted under NMCG; the public authority funds a portion of project cost during construction, the private developer invests the balance and is responsible for construction and long-term O&M, receiving annuity payments over a concession of typically up to 15 years, subject to performance. Used in Mathura, Varanasi and Meerut.
- **"One City, One Operator":** multiple STPs in a city bundled under a single operator.
- **BOOT projects:** the F&S Report notes a growing number of Build, Own, Operate and Transfer projects, typically spanning 15 to 30 years, and rising PPP participation in the municipal segment.

State	Total fine levied for non-compliance (INR billion)
Maharashtra	120
Telangana	38
West Bengal	35
Karnataka	34
Rajasthan	30
Punjab	21

Select upcoming STPs in India (status reviewed as at August 2026)

City / state	Project	Capacity (MLD)	Estimated cost (INR crore)	Expected operational year	Status / notes
Delhi	29 new decentralised STPs	~773 (170 million gallons per day)	~₹3,151	2028	Contracts for 13 projects awarded
Ahmedabad, Gujarat	424 MLD STP (Pirana) – new facility	424	~₹599	2028	Under construction by L&T under the World Bank-supported Ahmedabad resilience programme; revised completion date to be confirmed
Ahmedabad, Gujarat	375 MLD STP (Vasna)	375	Tender ~₹825-900+	2028	Construction ongoing under resilient cities programme
Hyderabad, Telangana	Musi River STPs (comprehensive plan)	~1,259.5 (combined)	~₹3,866	2025–27	Partially operational; 39 STPs of 972 MLD sanctioned under AMRUT 2.0 within the ORR
Bengaluru, Karnataka	Karnataka Water Security & Resilience Programme – STPs	TBD (9 STPs planned)	~$426M (~₹3,700+)	2026–27+	World Bank-supported; capacities TBD
Greater Noida, UP	Kasna (137), Badalpur (2), Ecotech 2 (15), Ecotech 3 (20)	~174 (operational)	Not specified	Active	Existing STPs; online monitoring being introduced
Greater Noida, UP	12 MLD STP (Techzone IT City)	12	₹38	2026–27	Under construction
Greater Noida, UP	45 MLD STP (Sector 1)	45	Not specified	2026	Under construction
Nashik, Maharashtra	Four new STPs (Tapovan, Agartakli, Chehedi, Panchak)	416 (combined)	~₹1,450	2027	Under construction; replace older plants

Exhibit 5.11; includes projects under construction and upcoming projects at tender stage; sourced by F&S from public-domain data and may include the cost of ancillary infrastructure. Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

Treatment Technologies Compared

Technology	BOD / COD removal efficiency (%)	TSS removal efficiency (%)	Nutrient removal	Land footprint (ha)	Estimated capital (₹ Cr)	Operational cost (₹/m³)
Activated Sludge Process (ASP)	BOD: 80–90 COD: 90–95	85–90	Moderate (requires tertiary processes)	10–15	200–250	3–5
Membrane Bioreactor (MBR)	BOD: 90–95 COD: 95–98	98–99	High (with BNR configuration)	5–8	300–400	4–6
Trickling Filters	BOD: 80–85 COD: 85–90	80–85	Low	20–25	100–150	2–4
Lagoons	BOD: 60–70 COD: 70–80	60–70	Low (natural processes)	40–50	50–80	1–2
C-Tech (SBR variant)	BOD: 90–98 COD: 90–95	90–95	High (with optimised cycle design)	8–12	250–300	3–5

Exhibit 5.17, Performance Comparison of Sewage Treatment Technologies, India, for 1,000 MLD plant. The F&S Report notes no sudden instances of technological disruption in the recent past in the Indian wastewater treatment industry. Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

Summary of C-Tech wastewater treatment system (F&S Exhibit 5.15)

Aspect	Details
Process flow	Fill and anoxic mix (influent mixed with previous cycle effluent; anoxic conditions favour PAOs for nutrient removal); aeration; settle; decant (clarified effluent removed from the top; sludge may be withdrawn)
Effluent quality	BOD ≤ 10 mg/l (typical 5-10); SS ≤ 10 mg/l (typical 5-10); TN ≤ 10 mg/l (typical 5-10); TP ≤ 1 mg/l (typical 0.5-1)
Process efficiency	SVI target 40–60 mL/g; cycle time 3-6 hours; OUR control for energy optimisation
Footprint and costs	Footprint 30-50% reduction compared to conventional SBRs; 10-20% capital cost savings; 75-85% energy savings compared to ASPs
Configuration	Two or more batch tanks in parallel with sequences out of phase, allowing continuous flow without an upstream buffer tank; anoxic-anaerobic selector, aeration zone, internal recycle, decant arm and OUR-based aeration control
Applications	Municipal and industrial wastewater treatment, small communities, remote locations; plants from 0.35 MLD to 424 MLD (under construction)

Characterisations of C-Tech in this table are the F&S Report's. The cycle time of 3-6 hours (F&S) differs from the "about 3-4 hours" operation described in "Our Business". Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

Value Chain, Components and Competitive Landscape – WWT

The F&S Report identifies the sector's value chain stakeholders as project owners (government agencies, industries or private developers), turnkey solution providers / water EPC companies, component suppliers, technology suppliers that develop and license technologies such as activated sludge, MBRs and SBRs, and the wastewater treatment plants. Project owners work with turnkey providers or EPC companies to define scope and select technology; these companies collaborate with technology and component suppliers to procure equipment.

Component markets in India (INR million)

INR million	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E	FY30E	FY31E
Blowers	2,205	2,315	2,431	2,553	2,679	2,813	2,954	3,101	3,257	3,423	3,594
Disc filters	1,717	1,838	1,966	2,104	2,250	2,406	2,571	Not legible as printed	2,934	3,140	3,359

Exhibits 5.22 and 5.23 (FY26 labelled "FY26A" for blowers). Blowers and disc filters are each estimated to contribute approximately 5% to 8% of total STP capital cost. The FY2028E disc filter data label is overlapped by the background graphic in the printed exhibit. Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

Sewage technology and equipment suppliers

Company	FY25 revenue (INR million)	FY26 revenue (INR million, full year)
SFC Environmental Technologies	6,978.6	8,036.29
Thermax	1,03,886.9	1,06,941.5
Xylem Inc.	NA	NA
Praj Industries	32,280.4	31,678.8
Alfa Laval	NA	NA
Ion Exchange	27,371.1	29,148.4

Operational benchmarking

Operational indicator	FY24	FY25	Q1FY26	FY26	Q1FY27	Peers
Number of treatment installations facilitated by SFC technology	577	639	654	705	724	NA for Thermax, Praj, Ion Exchange, Xylem India, Alfa Laval
Treatment capacity facilitated (MLD)	13,906.98	15,209.45	15,381.24	17,144.01	17,464.61	NA

Exhibit 11.1 columns re-ordered chronologically. Financial benchmarking exhibits (11.2–11.4) are not reproduced, as they comprise financial ratios outside the scope of this deck. Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

Wastewater Recycling & Reuse – Tertiary Treatment

Tertiary treatment is the final stage of wastewater processing, removing remaining suspended solids, nutrients, pathogens and dissolved contaminants so treated water can be reused for irrigation, industrial processes or potable applications. Key technologies covered by the F&S Report are filtration (sand, dual-media, disk filters, micro and ultra-fine screens), membranes (UF, NF, MF, MBR) and reverse osmosis.

Global (USD bn)	CY20	CY21	CY22	CY23	CY24	CY25	CY26E	CY27F	CY28F	CY29F	CY30F	CY31F
Tertiary treatment market	1.15	1.23	1.21	1.31	1.40	1.55	1.94	2.36	2.83	3.33	3.87	4.34

Exhibit 6.2. The F&S Report states a CAGR of 17.47% (CY2026E–CY2031F). Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

India (INR bn)	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28F	FY29F	FY30F	FY31F
Tertiary treatment market	7.40	8.31	9.67	11.29	13.13	18.70	25.55	33.84	43.71	55.37	70.13

Exhibit 6.3. The F&S Report states a CAGR of 30.26% (FY26–FY2031F). Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

- Drivers per the F&S Report: urban water scarcity; regulatory mandates (CPCB / SPCB standards, consent conditions, NGT directions; tertiary treatment and ZLD apply to specified industrial sectors, sensitive receiving environments and reuse applications); ESG and SDG goals.
- Policy: Ministry of Power Tariff Policy, 2016 mandates thermal power plants within 50 km of a ULB STP to use treated urban waste water; MoHUA Service Level Benchmarks set reuse and recycling of sewage at 20%; AMRUT 2.0 targets 20% of city water demand and 40% of industrial water demand from recycled water at state level.
- Examples: MAHAGENCO's 190 MLD wastewater reuse project at Koradi and Khaperkheda TPS under PPP (FDF, UF and RO); Nagpur progressing towards reusing over 90% of its wastewater; Punjab's 47 projects using approximately 243.3 MLD of treated wastewater.
- Water Reuse Certificates are conceptualised as market-based instruments to promote reuse, still in early stages of development.

State-level and national policies for reuse of treated wastewater

State / level	Policy	Key highlights
West Bengal	Treated Wastewater Reuse Policy of Urban West Bengal (June 2020)	Reduces freshwater dependence; reforms across planning, finance, technology and institutions; in force
Gujarat	Policy for Reuse of Treated Wastewater (May 2018)	Targets 70% reuse by 2025 and 100% by 2030; industrial and municipal reuse; active
Karnataka	Urban Wastewater Reuse Policy (Dec 2017)	Reuse in agriculture and urban applications; in effect
Jharkhand	Wastewater Policy (2017)	Role of ULBs in phased reuse; applicable
Madhya Pradesh	Wastewater Recycle & FSM Policy (2017)	Reuse for parks and urban green belts; in place
Andhra Pradesh	Policy on Wastewater Reuse and Recycling for ULBs	Treated wastewater in industrial and irrigation use
Rajasthan	State Sewerage and Wastewater Policy (2016)	Reuse aligned with WHO guidelines for agriculture; PPP reuse projects underway
Punjab	Treated Wastewater Policy (2017)	Prioritises reuse in agriculture based on water quality and crop type
Tamil Nadu	Treated Wastewater Reuse Policy	MoUs between ULBs and industries / agriculture users for secondary treated water
Jammu & Kashmir	Wastewater Reuse Policy (2017)	Baseline; UT-level updates expected
Chhattisgarh	Wastewater Recycle and Reuse Policy	Non-potable reuse across sectors; active
Haryana	Treated Wastewater Reuse Policy (2019)	Reuse hierarchy prioritises power and industry; agriculture after other uses
Maharashtra	State Water Policy (no separate reuse policy)	Mandates reuse of 80% of domestic water; MPCB standards apply
Uttarakhand	Policy on Safe Reuse of Treated Water, 2026	Framework for industrial use, construction, irrigation of green spaces, toilet flushing and other non-potable urban uses
Uttar Pradesh	Safe Reuse of Treated Water Policy, 2026	Targets 50% safe reuse by 2030 and 100% by 2035 where STPs and collection systems are operational
Odisha	Policy on Reuse of Treated Used Water of Urban Odisha, 2026	100% collection, conveyance and treatment by 2030; at least 20% reuse by 2030 and 50% by 2036
National	National Framework for Safe Reuse of TWW (Nov 2022)	Developed by NMCG and NITI Aayog; guiding principles for safe, circular reuse

Global and Indian solution providers in tertiary treatment (Exhibit 6.8)

Company	Headquarters	Year of incorporation	Technology
Veolia	Aubervilliers, France	1853	Physicochemical phosphate removal, activated carbon filtration, ozone disinfection
Clean Water Technology	Gardena, USA	1996	Fully skid mounted systems, HMI panels
Mitawater Technologies	Siziano, Italy	1971	Free-fiber filtration, sand filtration, cloth filtration, reverse osmosis
Acciona	Madrid, Spain	1931	Digitalisation and smart water management, reverse osmosis, electrochemical technologies
DuPont	Wilmington, Delaware, US	1802	Minimal liquid discharge, ion exchange resins, NF membranes, SUF, CCRO, MBR systems, MABR
Ion Exchange	Mumbai, India	1964	Disinfection by chlorine or ozone followed by granular media or activated carbon filtration
Thermax	Pune, India	1966	Water recycling, waste heat energy, emission control, cooling from waste heat
Alfa Laval	Lund, Sweden	1883	Cloth media filter, MBR system, hollow sheet technology

Municipal Solid Waste Management and Waste-to-Energy

- India generates approximately 59.2 MTPA of municipal solid waste (162,162 TPD as of January 2026), of which approximately 48.1 MTPA is processed (131,837 TPD). Urban waste processing has increased to approximately 82% (16% in 2014); door-to-door collection has reached 98%.
- The Government of India projects MSW generation of approximately 165 MTPA by 2030 and 436 MTPA by 2050. In 2025, 459 dumpsites across 438 cities achieved complete remediation (cumulative 1,138 across 1,048 cities).
- Solid Waste Management Rules, 2026 (effective April 1, 2026): four-stream segregation at source (wet, dry, sanitary, special care); Extended Bulk Waste Generator Responsibility; centralised online tracking; environmental compensation on the polluter pays principle; RDF fuel substitution for specified industrial units rising from 5% to 15% over six years; legacy waste remediation.
- MNRE estimates total energy generation potential from urban and industrial organic waste at approximately 5,690 MW, including 1,247 MW from urban solid waste.
- Challenges per the F&S Report: mixed waste calorific value around 1,500 kcal/kg (segregated, dried non-recyclable waste 2,800–3,500 kcal/kg); power from waste costs about INR 7-8 per unit versus INR 3-4 for coal and solar; assessment and on-ground issues.

Installed waste-to-energy capacity in India (MW)

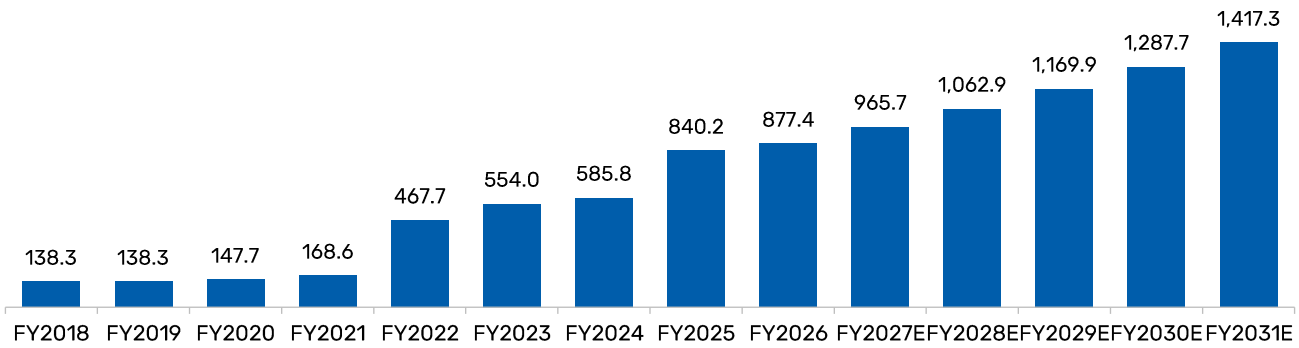


Exhibit 7.8. Exhibit 7.5 shows FY26 installed capacity as 877.6 MW while the text and Exhibit 7.8 show 877.4 MW. As of March 31, 2026: 324.24 MW grid-connected and 553.12 MW off-grid. The F&S Report states a CAGR of approximately 10.1% (FY26–FY2030E). Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

Revenue potential from MSW-related businesses, India (INR billion)

INR billion	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E	FY30E	FY31E
CBG	69.1	88.6	107.1	120.4	135.8	152.2	170	189.3	205.7
Electricity	66.8	67.3	67.7	66.4	65.3	64	62.4	60.8	66.1
Recyclables	16.2	18.7	21.8	25.2	29	32.8	36.8	40.9	44.4
Compost	3.2	3.6	4.7	5.5	7.2	8.6	10.2	12	13
Total	**155.3**	**178.2**	**201.3**	**217.4**	**237.3**	**257.6**	**279.4**	**303**	**329.2**

Exhibit 7.9 (data table; series re-ordered with total last). The bar label for FY26 in the same exhibit reads 218.2 and for FY2028E 257.5, against 217.4 and 257.6 in the data table. Key assumptions (FY26 / FY2031F): MSW generation 162,162 / 195,500 TPD; collection 98% / 100%; treatment 82% / 95%; CBG 100 / 120 Nm³ per TPD; CBG price incl. GST Rs. 57 / 75 per kg; compost price Rs. 2.0 / 3.0 per kg; recyclables price Rs. 6.0 / 8.0 per kg; electricity price Rs. 7.5 / 7.5 per kWh. Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

According to the F&S Report, the Indian waste-to-energy market is fragmented, with key players including the Company, RE Sustainability, JITF Urban Infrastructure, Abellon Clean Energy and Antony Lara Renewable Energy; RE Sustainability, JITF and Abellon focus solely on incineration, while the Company uses bio-methanation to produce biogas / electricity.

Announced, planning and under-construction MSW-based projects (Section 7.15)

Municipal corporation	Location	Capacity (MSW TPD)	Current status	Developer
Tinsukia Municipal Board	Tinsukia, Assam	125	Under construction	Oil India Limited
Bhubaneswar Municipal Corporation	Bhubaneswar, Odisha	300	Under construction	Oil India Limited
The Greater Noida Industrial Development Authority	Astauli, Uttar Pradesh	300	Under construction	Reliance Bioenergy Limited
Pimpri-Chinchwad Municipal Corporation	Moshi, Pune, Maharashtra	375	Tender floated / under evaluation; award not yet made	Not appointed
Brihanmumbai Municipal Corporation	Mankhurd / Deonar, Mumbai	350	Phase 1: concession agreement signed (350 TPD)	Mahanagar Gas Limited
Jorhat Municipal Board	Jorhat, Assam	125	Under construction	Oil India Limited
Sambalpur Municipal Corporation	Sambalpur, Odisha	200	Under tendering	Oil India Limited
Cuttack Municipal Corporation	Cuttack, Odisha	200	Under tendering	Oil India Limited
Agartala Municipal Corporation	Agartala, Tripura	160	Under construction	Oil India Limited
Greater Bengaluru Authority	Bengaluru, Karnataka	300	Under tendering	GAIL Limited
Gorakhpur Nagar Nigam	Gorakhpur, Uttar Pradesh	200	Under tendering	Indian Oil
Municipal Corporation of Delhi	Delhi	800 (2 projects)	MoU signed between Oil India's subsidiary and MCD	Oil India Limited's subsidiary
Municipalities of Gurugram, Faridabad, Hisar and Ambala	Haryana	5000 (4 projects)	MoU signed between Oil India's subsidiary and municipalities	Oil India Limited's subsidiary

Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

Compressed Biogas (CBG) and Agro-Waste Biogas

- **CBG Blending Obligation:** phased obligation for city gas distribution entities of 1% in FY25-26, 3% in FY26-27, 4% in FY2027-28 and 5% from FY2028-29; mandates OGMCs to set up CBG projects from organic waste and biomass; expected to catalyse ~Rs 37,500 crore of investment and ~750 CBG projects by FY2028-29.
- **GOBARdhan National Circular Bioenergy Scheme (August 2026):** outlay INR 23,731 crore for FY26-27 to FY2035-36; capital assistance of up to Rs 2 crore per tonne/day of installed CBG capacity, pipeline-connectivity support, MSME credit guarantees; administered price of ₹2,110 per MMBTU (₹105 per kg of CBG).
- **SATAT:** launched 2018 with long-term offtake via LOIs from IOCL, BPCL and HPCL; 132 CBG plants commissioned with ~920 tonnes/day output as of January 2026; plan for 5,000 CBG plants by 2030 targeting 15 million tonnes annual capacity.
- **Other support:** National Bioenergy Programme Phase I (April 2021 – March 2026, outlay INR 858 crore); financial assistance for biomass aggregation machinery; Union Budget 2026-27 excise exemption on the CBG portion of blended CNG.
- **Feedstock potential:** total CBG potential of 62 MMTPA across animal waste, agricultural residue, MSW and sewage sludge; surplus agro residue ~150 MT and press mud ~20 MT. Revenue potential from surplus agro residue and press mud (CBG and briquettes): INR 313.5 billion (FY2023), INR 371.2 billion (FY25), INR 526.9 billion (FY2031).
- **Production status:** 96 functional CBG plants in FY25 with cumulative capacity of 561 tons/day, 2,227 active LOIs and 31,422 tonnes of CBG sold in FY25 (SATAT and GOBARdhan portals).

Indian CBG market

	FY23	FY24	FY25	FY26	FY27E	FY28E	FY29E	FY30E	FY31E
Biogas volume (MMTPA)	0.1	0.4	1.5	1.7	2.5	5.8	12.8	18.8	26.5
Market size (INR billion)	5.3	22.0	82.5	93.5	137.5	319.0	704.0	1034.0	1457.5

Exhibit 8.8; density of CBG 0.76 kg / SCM and price Rs. 55 / kg as noted in the exhibit. The F&S Report states a ~73% CAGR (FY26A–FY2031E). Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

OMC and CGD company plans in the CBG market (Exhibit 8.12)

Company	Plan as described by the F&S Report
Oil India Ltd.	OIL Green Energy Ltd. (wholly owned subsidiary of Oil India) and HWTPL signed a Joint Venture Agreement for integrated bioenergy and waste management projects; 50:50 joint venture for CBG, WtE and allied projects
ONGC	In-principle Board approval for a joint venture to establish 15 waste-based CBG plants across India with SFC and EverEnviro Resource Management Pvt. Ltd.
Indraprastha Gas Ltd. (IGL)	Joint Venture Agreement with HWTPL for CBG plant / biofuel projects
GAIL (India) Limited	Plans around 26 Bio-CNG plants over the next two to three years as producer and JV partner; Expression of Interest issued for JVs (paddy straw, MSW, sugar)
Mahanagar Gas Ltd. (MGL)	Expected to invest over INR 600 crore in a 1,000 TPD segregated organic MSW-based CBG plant at Deonar, Mumbai
IOCL / BPCL / HPCL / Essar Oil / Nayara Energy	Participation in SATAT; procurement of CBG from entrepreneurs or setting up CBG plants; HPCL to offer a delivered price for CBG with incentives
Reliance Industries Limited	Plans more than 50 CBG plants in the next two years at a cost of over INR 50 billion; demo units at Jamnagar; first commercial plant at Barabanki, Uttar Pradesh

Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

MSW treatment companies providing waste-to-energy solutions named in F&S Exhibit 8.13: SFC Environmental Technologies, Ecogreen Energy, Antony Lara Renewable Energy and Abellon Clean Energy. Agro-waste CBG challenges identified: high capex and long payback periods; aggregation, storage and logistics of feedstock; inconsistent supply and moisture content; limited skilled manpower in rural areas; delays in policy implementation, land acquisition and clearances. The F&S Report expects nationwide scale in agro-waste CBG to require 10 to 15 years.

Solar Sludge Drying Systems

Solar sludge drying emerged in Europe (Germany and Austria) in the late 1980s and early 1990s and has been integrated in India into faecal sludge treatment plants and effluent treatment plants since the 2010s. Applications include WWTP sludge, faecal sludge, industrial sludge, waste-to-energy (dried sludge up to 9–12 MJ/kg), composting in MSW plants and land reclamation. India's STPs generate approximately 104,210 tonnes of sewage sludge per day (F&S Report).

Global (USD million)	CY20	CY21	CY22	CY23	CY24	CY25	CY26E	CY27F	CY28F	CY29F	CY30F	CY31F
Solar sludge dryer market	293.52	300.71	282.33	296.80	305.09	322.78	340.05	359.73	381.93	407.04	428.73	456.06

Exhibit 10.2. The F&S Report states a CAGR of 6.05% (CY2026E–CY2031F). Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

India (INR billion)	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28F	FY29F	FY30F	FY31F
Solar sludge dryer market	1.82	1.92	2.25	2.56	2.74	3.00	3.35	3.75	4.20	4.70	5.26

Exhibit 10.3. The F&S Report states a CAGR of 11.86% (FY26–FY2031F). Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

Company	Headquarters	Year founded	Technology
Huber SE	Berching, Germany	1999	HUBER Sludge Turner SOLSTICE; sludge drying, disinfection and reuse
Thermo-System	Esslingen, Germany	1997	Automation and control, Sludge Manager, sludge tiller
Redco	Istanbul, Türkiye	2012	Solar drying, BOBO sludge drying robot, PLC, moving steel bridge, adjustable rotary drum
Arges	Ankara, Turkey	1985	Solar sludge drying system, sludge thickener
Solartiger	Gurten, Austria	2004	Hexagonal rotating drum, air scrubber, biological filter
IST-Anlagenbau GmbH	Neuenburg am Rhein, Germany	1994	Turning and conveying machine; odour elimination (Zerodor)
Arvind Envisol Ltd	Ahmedabad, India	2008	Travelling bridge mixer; low-temperature drying and dehumidification; automatic control
Thermarex	Surat, India	2020	Electric Mole, speed-controlled wall fans, central PLC with ClimaControl software
ATR Solar	Madurai, India	2002	Solar power tower, solar FSTP drying, solar greenhouse dryers
Aadhi Solar	Tirupur, India	2009	Air heater, electric heater
VALIANT Entech Private Ltd.	Surat, India	2023	Air scrubber, air-streaming control system with precision sensors

Exhibit 10.5. According to the F&S Report, IST-Anlagenbau GmbH, a subsidiary of the Company, is a well recognised player in the solar sludge dryer market with more than 30 years of industry experience. Source: F&S Report, as reproduced in the Red Herring Prospectus of SFC Environmental Technologies Limited dated October 19, 2026.

Peer Analysis

FY2024

Particulars	Units	SFC Ltd	Thermax	Praj	Ion
Revenue from operations	₹ mn	6,575.0	93,234.6	34,662.8	23,478.5
Operating EBITDA	₹ mn	1,932.5	7,973.9	3,878.1	2,719.4
Operating EBITDA margin	%	29.39%	8.55%	11.19%	11.58%
PAT	₹ mn	1,441.7	6,431.9	2,833.9	1,953.5
PAT margin	%	21.93%	6.90%	8.18%	8.32%
ROE (Jun columns not annualized)	%	29.80%	15.50%	24.09%	21.06%
ROCE (Jun columns not annualized)	%	28.56%	17.00%	31.69%	26.90%
Net debt	₹ mn	(494.5)	3,015.0	-	(4,503.2)
Net worth	₹ mn	5,343.0	44,398.0	12,744.7	10,179.1
Net debt / equity	x	(0.09x)	0.07x	(0.03x)	(0.40x)
Fixed asset turnover (Jun columns not annualized)	x	13.25x	3.80x	10.77x	9.94x
Cash conversion cycle (Jun columns = 3M basis, 365/4)	Days	156	NA	NA	NA
Total order book	₹ mn	7,852.3	1,01,110.0	38,550.0	3,460.0
Treatment installations (cumulative)	Number	577	NA	NA	NA
Treatment capacity facilitated by SFC technology (cumulative)	MLD	13,907.0	NA	NA	NA

FY2025

Particulars	Units	SFC Ltd	Thermax	Praj	Ion
Revenue from operations	₹ mn	6,978.6	1,03,886.9	32,280.4	27,371.1
Operating EBITDA	₹ mn	2,074.8	9,077.8	3,248.3	2,939.0
Operating EBITDA margin	%	29.73%	8.74%	10.06%	10.74%
PAT	₹ mn	1,520.1	6,267.0	2,189.3	2,083.0
PAT margin	%	21.78%	6.03%	6.78%	7.61%
ROE (Jun columns not annualized)	%	24.84%	13.40%	16.48%	18.70%
ROCE (Jun columns not annualized)	%	29.29%	16.00%	24.41%	22.00%
Net debt	₹ mn	(523.5)	5,637.4	-	(1,627.8)
Net worth	₹ mn	6,486.8	49,370.0	13,817.7	12,078.8
Net debt / equity	x	(0.08x)	0.11x	(0.13x)	(0.10x)
Fixed asset turnover (Jun columns not annualized)	x	10.85x	3.05x	7.56x	8.69x
Cash conversion cycle (Jun columns = 3M basis, 365/4)	Days	232	NA	NA	NA
Total order book	₹ mn	5,603.9	1,06,930.0	42,930.0	27,620.3
Treatment installations (cumulative)	Number	639	NA	NA	NA
Treatment capacity facilitated by SFC technology (cumulative)	MLD	15,209.5	NA	NA	NA

FY2026

Particulars	Units	SFC Ltd	Thermax	Praj	Ion
Revenue from operations	₹ mn	8,036.3	1,06,941.5	31,678.8	29,148.4
Operating EBITDA	₹ mn	2,358.1	10,262.6	1,518.0	2,102.0
Operating EBITDA margin	%	29.34%	9.60%	4.79%	7.21%
PAT	₹ mn	1,602.1	7,202.6	238.5	1,432.0
PAT margin	%	19.94%	6.74%	0.75%	4.91%
ROE (Jun columns not annualized)	%	21.55%	13.70%	1.77%	11.20%
ROCE (Jun columns not annualized)	%	22.21%	15.00%	5.59%	14.30%
Net debt	₹ mn	388.2	11,624.6	NA	(442.7)
Net worth	₹ mn	8,041.7	55,499.7	13,091.3	13,390.3
Net debt / equity	x	0.05x	0.21x	(0.16x)	0.10x
Fixed asset turnover (Jun columns not annualized)	x	12.07x	2.37x	11.30x	5.75x
Cash conversion cycle (Jun columns = 3M basis, 365/4)	Days	242	NA	NA	NA
Total order book	₹ mn	15,745.2	1,36,040.0	43,050.0	26,433.0
Treatment installations (cumulative)	Number	705	NA	NA	NA
Treatment capacity facilitated by SFC technology (cumulative)	MLD	17,144.0	NA	NA	NA

Directors Profile

Name	Designation	Profile
Sandeep Sudhakar Asolkar	**Chairman and Managing Director**	Sandeep Sudhakar Asolkar is the Promoter, Chairman and Managing Director of the Company, with over 31 years of experience in environmental engineering. He holds a bachelor's degree in civil engineering and has completed management programmes at IIM Ahmedabad and Columbia Business School. He has previously worked with Ion Exchange (India) and Hindustan Dorr-Oliver and received several industry awards.
Sarvesh Kumar Garg	**Executive Director**	Sarvesh Kumar Garg is an Executive Director with over 26 years of experience in environmental engineering. He holds a bachelor's degree in environmental engineering and has specialised training in industrial safety, sludge treatment and membrane technology. He has previously worked with Aquatech Industries (India), Ion Exchange (India) and other environmental engineering companies.
Saketchandrasingh Pratapsingh Dhandoriya	**Executive Director**	Saketchandrasingh Pratapsingh Dhandoriya is a Promoter and Executive Director with over 25 years of experience in environmental engineering. He holds a diploma in mechanical engineering from the Board of Technical Examination, Maharashtra, and has been associated with the Company since 2005. He previously served as Manager – Field Services at Ion Exchange (India) Limited.
Prachiti Sandeep Asolkar	**Executive Director**	Prachiti Sandeep Asolkar is a Promoter and Executive Director, serving as the Company's Chief Risk Officer and previously as Chief Strategy Officer. She holds a bachelor's degree in media studies from Symbiosis International University and master's degrees in finance and international business from Hult International Business School. She joined the Company in August 2023 as a financial analyst.
Neha Rajen Gada	**Non-Executive Independent Director**	Neha Rajen Gada is a Non-Executive Independent Director and an Associate Member of ICAI, with a certificate in insolvency examination from IBBI. She previously served as a manager at Bombay Stock Exchange Limited and co-founded Infineon Capital Advisors Private Limited. She currently serves as President of the Chamber of Tax Consultants, Mumbai.
Mulesh Manilal Savla	**Non-Executive Independent Director**	Mulesh Manilal Savla is a Non-Executive Independent Director and a Fellow Member of ICAI with 35 years of professional experience. He is a partner at Shah & Savla LLP and a former president of the CVO Chartered and Cost Accountants Association. He also serves as an Independent Director and Chairperson at Aarti Surfactants Limited and Valiant Laboratories Limited.
Amruta Shripad Patankar	**Non-Executive Independent Director**	Amruta Shripad Patankar is a Non-Executive Independent Director and an Associate Member of ICAI with 22 years of professional experience. She was previously associated with Thermax Limited and completed the Senior Leadership Development Programme at IIM Ahmedabad in 2016. She has also passed the Level I Fundamentals of Sustainability Accounting examination conducted by the IFRS Foundation.
Divya Sameer Momaya	**Non-Executive Independent Director**	Divya Sameer Momaya is a Non-Executive Independent Director and a Fellow Member of the Institute of Company Secretaries of India with 23 years of professional experience. She is the Promoter and Director of MMB Advisors Private Limited and a partner at D S Momaya & Co. LLP. She also serves as Vice-Chairperson of the Bombay Industries Association.

Competitive Strength

- **Technology leadership in WWT:** First SBR technology provider in India (C-Tech); 728 WWT installations and >80% market share in SBR technology as of 31 Jul 2026; technologies treat 17,511 MLD of wastewater.
- **Strong order book:** Total order book of ₹16,566 mn as of 31 Aug 2026 (WWT ₹6,410 mn, WRR ₹5,611 mn, SWT ₹4,545 mn) – c.2.1x FY26 revenue from operations.
- **High repeat business:** Repeat customers contributed 91.98% of FY26 revenue (85.18% in FY25; 97.41% in Q1 FY27).
- **Vertical integration:** In-house decanters, turbo blowers (JV with TurboMax), diffusers (Fine Aeration; EDI licence) and solar sludge dryers (80% stake in IST-Anlagenbau); exclusive tie-ups with TurboMax, IST and Yucheon.
- **Solid financial profile:** Revenue ₹8,036 mn in FY26 (10.56% CAGR FY24–26), PAT ₹1,602 mn (19.94% margin), net worth ₹8,042 mn and net debt/equity of only 0.05x.
- **Proven SWT track record:** Two Goa plants (up to 425 TPD) operating 10+ years with >150 Nm³/ton biogas yield vs 80–100 industry average; 10-year CBG awards at Tinsukia (125 TPD) and Bhubaneswar (300 TPD).

Weakness/Key Risk

- **Customer and segment concentration:** Top 10 customers were 64.44% of FY26 revenue (59.18% in FY24; 79.20% in Q1 FY27); WWT and SWT together are 84.98% of revenue.
- **Heavy government dependence:** Government-linked projects were 92.35% of WWT revenue and 100% of SWT revenue in FY26.
- **Stretched working capital:** Cash conversion cycle of 235 days at Mar-26 vs 141 days at Mar-24 (569 days annualised at Jun-26); trade receivables ₹6,088 mn at Mar-26.
- **Negative operating cash flow:** CFO of ₹(258) mn in FY26, ₹(117) mn in FY24 and ₹(213) mn in Q1 FY27.
- Seasonal, back-ended revenue: 85.83% of WWT revenue came in H2 FY26; Q1 FY27 PAT was only ₹14.8 mn (1.11% margin).
- **Profit growing slower than sales:** PAT CAGR of 5.42% vs revenue CAGR of 10.56% (FY24–26); PAT margin down from 21.93% to 19.94%.
- **Rising debt and supplier dependence:** Current borrowings rose to ₹1,565 mn at Mar-26 (₹342 mn at Mar-25); no continuing or exclusive supply agreements with key raw material suppliers.

Market Opportunity

- **Growing WWT market:** India wastewater treatment market of ₹292 bn in FY26 projected to reach ₹455 bn by FY31E (9.3% CAGR); sewage treatment market to grow at 9.6% CAGR FY25–30E.
- **Water reuse (WRR) boom:** Indian tertiary treatment market to grow from ₹18.7 bn (FY26) to ₹70.1 bn (FY31F), a 30.3% CAGR; SFC has already built a ₹5,611 mn WRR order book since its first order in Jul 2025.
- **CBG / SWT policy tailwind:** CBG blending obligation rises from 1% (FY26) to 5% (FY29 onwards); CBG output seen rising from 1.7 MMTPA (FY26) to 26.5 MMTPA (FY31E).
- **Solar sludge dryers:** Indian market of ₹3.0 bn (FY26) to ₹5.3 bn (FY31F), 11.9% CAGR, supported by SFC's in-house manufacturing.
- **Partnerships and pipeline:** JV with an oil & gas company subsidiary (Hind Oil Biofuels), MoU with an oil & gas conglomerate, and provisional selection for a 1,000 TPD CBG plant in Mumbai; new products such as PlasmaConnect.
- **IPO funding:** ₹1,500 mn fresh issue (₹749 mn earmarked for FY27 working capital) to ease funding needs and support expansion, including a new manufacturing unit.

Threats

- **Policy and budget risk:** Revenue depends on government budget releases and municipal and OMC contract awards; any change in priorities or funding could hit demand.
- **Contract renewal risk in SWT:** North Goa plant concession extended only until 20 Aug 2027 (or earlier); the plant contributed 39.69% of HWTPL's FY26 standalone revenue.
- **Competitive bidding:** SWT bids are competitive – of five tenders bid since Apr 2022, two were won, two lost and one is pending.
- **Technology displacement:** SBR is c.28–30% of India's installed capacity; a shift to alternate technologies could hurt growth.
- **Pricing pressure:** Larger and better-funded competitors and new entrants may force down prices and margins.
- **Order book slippage:** Order book includes LoIs and MoUs and can be delayed, modified or cancelled.
- **Legal and execution risks:** Pending proceedings against the Company (1 criminal, 14 tax; ₹58 mn aggregate); execution risk in the new WRR segment, acquisitions and fixed-price contracts.

Shareholding

Prior to the IPO, the Promoter and Promoter Group held 48.19% of the company's equity share capital, while the remaining 51.81% was held by public shareholders and other investors. As part of the Offer for Sale (OFS), promoter-group members Sandeep Sudhakar Asolkar (jointly held with Priya Sandeep Asolkar) and Saketchandrasingh Pratapsingh Dhandoriya, along with certain other investors, are offering their shares for sale. Sandeep Sudhakar Asolkar's pre-IPO shareholding of 19.36% is expected to decline to 17.51%, while Saketchandrasingh Pratapsingh Dhandoriya's holding is expected to reduce from 9.03% to 4.80% post-IPO. Consequently, the collective shareholding of the Promoter and Promoter Group is expected to decrease to 41.18%, while the public shareholding will increase to 58.82% following the IPO.

Particulars	Pre Issue		IPO		Post Issue	
	No. of Shares	% Holding	Fresh Issue	OFS	No. of Shares	% Holding
Promoter						
Sandeep Sudhakar Asolkar	1,35,00,000	14.45%			1,35,00,000	13.78%
Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)	1,80,85,470	19.36%		-9,34,000	1,71,51,470	17.51%
Saketchandrasingh Pratapsingh Dhandoriya	84,34,125	9.03%		-37,36,000	46,98,125	4.80%
Total Promoter	**4,00,19,595**	**42.84%**		**-46,70,000**	**3,53,49,595**	**36.09%**
Promoter Group						
Asolkar Tradecraft Private Limited	49,78,320	5.33%			49,78,320	5.08%
Bhushan Raju Naik	13,500	0.01%			13,500	0.01%
Total Promoter Group	**49,91,820**	**5.34%**		**0**	**49,91,820**	**5.34%**
Total Promoter & Promoter Group	**4,50,11,415**	**48.19%**		**-46,70,000**	**4,03,41,415**	**41.18%**
Public / Others						
Sandeep Sambhaji Parab	45,92,715	4.92%		-21,36,000	24,56,715	2.51%
Rajesh Kesavan Nambisan	45,92,715	4.92%		-21,36,000	24,56,715	2.51%
Sarvesh Kumar Garg	55,27,215	5.92%		-35,65,000	19,62,215	2.00%
Kumaraguru Madurakavi	45,92,715	4.92%		-21,36,000	24,56,715	2.51%
Veera Satyanarayana Yannamani	21,43,860	2.30%		-9,33,000	12,10,860	1.24%
Jayshree Harit Shah jointly with Harit Pragji Shah	4,68,750	0.50%		-70,000	3,98,750	0.41%
Mulesh Manilal Savla (held jointly with Maya Mulesh Savla)	1,70,625	0.18%			1,70,625	0.17%
Mandar Dinkar Desai (held jointly with Shruti Mandar Desai)	75,000	0.08%			75,000	0.08%
Amit Anil Sawant	60,000	0.06%			60,000	0.06%
Virendra Vijay Rane	57,000	0.06%			57,000	0.06%
Hardik Suresh Matalia	36,750	0.04%		-36,750	0	0.00%
Abhijit Parolkar	30,000	0.03%			30,000	0.03%
Ajit Dhondiram Marathe	19,000	0.02%			19,000	0.02%
Mahendra Pandharinath Ingale	17,000	0.02%			17,000	0.02%
Neha Rajen Gada (held jointly with Rajen Hemchand Gada)	18,750	0.02%			18,750	0.02%
Rajen Hemchand Gada (held jointly with Neha Rajen Gada)	18,750	0.02%			18,750	0.02%
Rohan Manohar Kharche	19,000	0.02%			19,000	0.02%
Prasad Govind Kumbhar	4,000	0.00%			4,000	0.00%
Shweta Deshpande	500	0.00%			500	0.00%
Other Public	2,59,55,510	27.79%	45,45,454	1,56,82,750	4,61,83,714	47.15%
Total Public /Others	**4,83,99,855**	**51.81%**			**5,76,15,309**	**58.82%**
Total	**9,34,11,270**	**100.00%**	**45,45,454**	**-**	**9,79,56,724**	**100.00%**

Financials

Income Statement			(Rs in mn)
Particulars	**FY24**	**FY25**	**FY26**
Revenue from Operation	**6575.0**	**6978.6**	**8036.3**
COGS	3113.1	3135.5	3255.4
% Sales	*47.3*	*44.9*	*40.5*
Gross Profit	**3461.9**	**3843.1**	**4780.9**
Gross margin	*52.7*	*55.1*	*59.5*
Employee Benefit Exp	600.0	730.0	842.5
Other exp	929.3	1038.3	1580.3
EBITDA	**1932.5**	**2074.8**	**2358.1**
EBITDA Margins	*29.4*	*29.7*	*29.3*
Other Income	190.7	291.1	176.4
Depreciation	124.6	178.4	278.5
EBIT	**1998.7**	**2187.5**	**2256.1**
EBIT Margins	*30.4*	*31.3*	*28.1*
Finance Cost	88.3	133.7	148.6
Profit before tax	**1910.4**	**2053.7**	**2107.5**
Exceptional Items	0.0	0.0	0.0
Tax	492.7	532.3	512.8
Profit after tax	**1441.7**	**1520.1**	**1602.1**
PAT Margins	*21.9*	*21.8*	*19.9*
Basic EPS(Pre Issue)	***15.2***	***15.4***	***16.5***

Balance Sheet			(Rs in mn)
Particulars	**FY24**	**FY25**	**FY26**
ASSETS			
Fixed Assets	611.1	675.5	655.9
Capital WIP	67.3	50.0	68.1
Goodwill and other intangible assets	300.1	171.7	378.3
Right to Use Assets	128.5	557.5	488.5
Trade Receivables	3411.4	4350.5	6087.6
Cash	77.3	375.4	405.1
Other Current Assets	213.7	260.8	736.8
Other Assets	4,240.1	3,553.3	4,414.0
Total Assets	**9049.4**	**9994.7**	**13234.3**
EQUITY			
Equity Share Capital	62.3	186.8	186.8
Other Equity	5549.2	6440.8	8052.2
Total Equity	**5611.5**	**6627.6**	**8239.0**
Borrowing and Lease Liability	1524.4	1368.6	2446.4
Other Non-Current Liabilities	230.2	278.3	158.3
Trade Payables	1107.1	931.7	1702.7
Other Liabilities	576.2	788.6	687.9
Total Liabilities	**3,438.0**	**3,367.2**	**4,995.2**
Total Equity and Liabilities	**9,049.4**	**9,994.7**	**13,234.3**

Cash Flow Statement			(Rs in mn)
Particulars	**FY24**	**FY25**	**FY26**
Cash Flow from operating activities			
PBT	1934.5	2052.4	2114.9
Depreciation	124.6	178.4	278.5
Operating Profit before WC change	1980.1	2126.5	2418.0
Changes in Assets and liability	1681.2	867.4	2076.0
Cash used in Operations	299.0	1259.1	341.9
Tax	-415.9	-604.0	-600.0
Net Cash from Operating	**-116.9**	**655.1**	**-258.0**
Cash Flow from investing activities			
Capex	-276.1	-309.5	-162.8
Net Cash from Investing	**-771.5**	**708.3**	**-664.7**
Cash Flow from financing activities			
Interest Paid on Borrowings	-79.4	-96.9	-105.4
Proceeds from borrowings	927.5	-554.5	1119.3
Repayment of lease liability	-20.6	-59.6	-40.1
Interest paid on lease liability	-8.8	-37.0	-43.3
Net Cash from Financing	**721.4**	**-1065.2**	**924.7**
Net increase/(decrease) in Cash	-167.1	298.1	1.9
Cash at the beginning of the year	226.5	77.3	375.4
Cash at the end of the year	**77.3**	**375.5**	**405.1**

Ratio Analysis			
Particulars	**FY24**	**FY25**	**FY26**
Growth (%)			
Revenue	*26.6*	*6.1*	*15.2*
Employee Cost	*21.3*	*21.7*	*15.4*
EBITDA	*55.8*	*7.4*	*13.7*
EBIT	*54.3*	*9.4*	*3.1*
PAT	*52.1*	*5.4*	*5.4*
% Of Revenue			
Employee Cost	*9.1*	*10.5*	*10.5*
EBITDA	*29.4*	*29.7*	*29.3*
EBIT	*30.4*	*31.3*	*28.1*
PAT	*21.9*	*21.8*	*19.9*
Return Ratios (%)			
ROCE	28.6	29.3	22.2
ROE	29.8	24.8	21.6
Valuation (x)			
P/E	21.8	21.4	20.0
P/B	29.1	24.6	19.8
EV/EBITDA	84.2	78.6	69.5
EV/ Sales	24.8	23.4	20.4
DEBT/EQUITY	0.3	0.2	0.3

Disclaimer

SHASHWAT SINGH
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Date: 2026.10.26 09:29:17 +05'30'

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