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DRAFT RED HERRING PROSPECTUS
Dated December 2, 2024
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

SFC ENVIRONMENTAL TECHNOLOGIES LIMITED

CORPORATE IDENTITY NUMBER: U37003MH2005PLC152235

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
The Ambience Court, Hi-Tech Business Park, 21st Floor, Sector 19-D, Plot No. 2, Vashi, Navi Mumbai, Thane 400 705, Maharashtra, India	**Shweta Deshpande** *Company Secretary and Compliance Officer*	**Email:** compliance@sfcenv.com **Telephone:** +91 22 27832646 / 47	www.sfcenvironment.com

THE PROMOTERS OF OUR COMPANY: SANDEEP SUDHAKAR ASOLKAR, PRIYA SANDEEP ASOLKAR AND SAKETCHANDRASINGH PRATAPSINGH DHANDORIYA

DETAILS OF OFFER TO THE PUBLIC

TYPE	FRESH ISSUE SIZE^	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY – 6(1) & SHARE RESERVATION AMONG QIB, NIB & RIB
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹1,850.00 million	Up to 10,824,790 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	Up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	The Offer is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”). For details in relation to share reservation among QIBs, NIBs, RIBs and Eligible Employees, see “*Offer Structure*” on page 513.

DETAILS OF THE OFFER FOR SALE BY THE SELLING SHAREHOLDERS AND WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE

NAME OF THE SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OFFERED / AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*#	NAME OF THE SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OFFERED / AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*#
Saketchandrasingh Pratapsingh Dhandoriya	Promoter Selling Shareholder	Up to 1,265,120 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	36.72	Sandeep Sambhaji Parab	Other Selling Shareholder	Up to 688,910 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	36.72
Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)	Promoter Selling Shareholders	Up to 2,712,820 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	36.72	Rajesh Kesavan Nambisan	Other Selling Shareholder	Up to 688,910 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	36.72
Sandeep Sudhakar Asolkar	Promoter Selling Shareholder	Up to 2,025,000 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	0.44	Kumaraguru Madurakavi	Other Selling Shareholder	Up to 688,910 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	36.72
Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri)	Other Selling Shareholders	Up to 127,630 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	43.47	Sarvesh Kumar Garg	Other Selling Shareholder	Up to 829,080 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	36.72
Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	Other Selling Shareholders	Up to 862,400 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	52.61	Veera Venkata Satyanarayana Yannamani	Other Selling Shareholder	Up to 321,580 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	36.72
Parindu Bansilal Gogri Trust	Other Selling Shareholder	Up to 21,070 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	36.72	Sagar Mahesh Tanna	Other Selling Shareholder	Up to 11,250 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	60.79
Jayshree Harit Shah	Other Selling	Up to 70,310	42.85	Jyoti Subodh	Other Selling	Up to 511,800	36.72

(held jointly with Harit Pragji Shah)	Shareholders	Equity Shares of face value of ₹2 each aggregating up to ₹[●] million		Sapre	Shareholder	Equity Shares of face value of ₹2 each aggregating up to ₹[●] million	

** As certified by M.I. Shah and Co., Chartered Accountants, pursuant to their certificate dated December 2, 2024. For a complete list of all the Selling Shareholders and their weighted average cost of acquisition per Equity Share on a fully diluted basis, see "Summary of the Offer Document – Average cost of acquisition of Equity Shares of our Promoters and the Selling Shareholders" on page 41.*

#Calculated per Equity Share on a fully diluted basis.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue by our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹2 each. The Floor Price, Cap Price and Offer Price determined by our Company in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for Offer Price*" on page 155, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 44.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and only confirms the statements made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus to the extent of information specifically pertaining to itself and its respective portion of the Offered Shares in the Offer for Sale and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. However, each of the Selling Shareholder, severally and not jointly, confirms that it does not assume any responsibility for any other statements, disclosures and undertakings in this Draft Red Herring Prospectus, including without limitation, any and all of the statements and undertakings made by or in relation to our Company or its business or any other Selling Shareholder or any other person.

LISTING

The Equity Shares that will be offered through the Red Herring Prospectus are proposed to be listed on National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**", and together with NSE, the "**Stock Exchanges**"). For the purposes of the Offer, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

NAME OF BRLMs AND LOGO		CONTACT PERSON	E-MAIL AND TELEPHONE
IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*	IIFL CAPITAL	Yogesh Malpani / Mansi Sampat / Pawan Kumar Jain	**E-mail:** sfc.ipo@iiflcap.com **Telephone:** + 91 22 4646 4728
JM Financial Limited	JM FINANCIAL	Prachee Dhuri	**E-mail**: sfc.ipo@jmfl.com **Telephone:** + 91 22 6630 3030
Nuvama Wealth Management Limited	nuvama	Pari Vaya	**E-mail**: sfc.ipo@nuvama.com **Telephone**: +91 22 4009 4400

REGISTRAR TO THE OFFER

NAME OF REGISTRAR	CONTACT PERSON	E-MAIL AND TELEPHONE
Link Intime India Private Limited	Shanti Gopalkrishnan	**E-mail:** sfcenvironmental.ipo@linkintime.co.in **Telephone**: +91 8108114949

BID / OFFER PROGRAMME

ANCHOR INVESTOR BIDDING DATE	[●]**	**BID / OFFER OPENS ON**	[●]	**BID / OFFER CLOSES ON#**	[●]***

***Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid / Offer Opening Date.*

****Our Company, in consultation with the BRLMs, may consider closing the Bid / Offer Period for QIBs one Working Day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations.*

 # The UPI mandate end time and date shall be at 5:00 p.m. on Bid / Offer Closing Date.

*^Our Company, in consultation with the BRLMs, may consider a further issue of specified securities as may be permitted under applicable law, at its discretion, aggregating up to ₹370.00 million (the "**Pre-IPO Placement**"), prior to the filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

DRAFT RED HERRING PROSPECTUS
Dated December 2, 2024
Please read Section 32 of the Companies Act, 2013
(*This Draft Red Herring Prospectus will be updated upon filing with the RoC)*
100% Book Built Offer

SFC ENERGY & ENVIRONMENT

SFC ENVIRONMENTAL TECHNOLOGIES LIMITED

Our Company was originally incorporated as '*SFC Environmental Technologies Private Limited*' at Mumbai, as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 29, 2005, issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). Thereafter, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed in the extraordinary general meeting of our Shareholders held on June 29, 2024 and the name of our Company was changed to '*SFC Environmental Technologies Limited*' and a fresh certificate of incorporation dated August 13, 2024, was issued to our Company by the Registrar of Companies, Central Processing Centre. For further details on the changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 285.

Corporate Identity Number: U37003MH2005PLC152235; **Website:** www.sfcenvironment.com

Registered and Corporate Office: The Ambience Court, Hi-Tech Business Park, 21st Floor, Sector 19-D, Plot No. 2, Vashi, Navi Mumbai, Thane 400 705, Maharashtra, India

Contact Person: Shweta Deshpande, Company Secretary and Compliance Officer; **Telephone:** +91 22 27832646 / 47; **Email:** compliance@sfcenv.com

THE PROMOTERS OF OUR COMPANY ARE SANDEEP SUDHAKAR ASOLKAR, PRIYA SANDEEP ASOLKAR AND SAKETCHANDRASINGH PRATAPSINGH DHANDORIYA

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹2 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹[●] MILLION ("OFFER"). THE OFFER COMPRISES A FRESH ISSUE OF UP TO [●] EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹1,850.00 MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 10,824,790 EQUITY SHARES OF FACE VALUE OF ₹2 EACH ("OFFERED SHARES") AGGREGATING UP TO ₹[●] MILLION, COMPRISING OF UP TO 1,265,120 EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹[●] MILLION BY SAKETCHANDRASINGH PRATAPSINGH DHANDORIYA, UP TO 2,712,820 EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹[●] MILLION BY SANDEEP SUDHAKAR ASOLKAR (HELD JOINTLY WITH PRIYA SANDEEP ASOLKAR), UP TO 2,025,000 EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹[●] MILLION BY SANDEEP SUDHAKAR ASOLKAR (THE "PROMOTER SELLING SHAREHOLDERS"), UP TO 127,630 EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹[●] MILLION BY CHANDRAKANT VALLABHAJI GOGRI (HELD JOINTLY WITH JAYA CHANDRAKANT GOGRI), UP TO 862,400 EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹[●] MILLION BY JAYA CHANDRAKANT GOGRI (HELD JOINTLY WITH CHANDRAKANT VALLABHAJI GOGRI AND HETAL GOGRI GALA), UP TO 21,070 EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹[●] MILLION BY PARINDU BANSILAL GOGRI TRUST, UP TO 70,310 EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹[●] MILLION BY JAYSHREE HARIT SHAH (HELD JOINTLY WITH HARIT PRAGJI SHAH), UP TO 688,910 EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹[●] MILLION BY SANDEEP SAMBHAJI PARAB, UP TO 688,910 EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹[●] MILLION BY RAJESH KESAVAN NAMBISAN, UP TO 688,910 EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹[●] MILLION BY KUMARAGURU MADURAKAVI, UP TO 829,080 EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹[●] MILLION BY SARVESH KUMAR GARG, UP TO 321,580 EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹[●] MILLION BY VEERA VENKATA SATYANARAYANA YANNAMANI, UP TO 11,250 EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹[●] MILLION BY SAGAR MAHESH TANNA AND UP TO 511,800 EQUITY SHARES (OF FACE VALUE OF ₹2 EACH) AGGREGATING UP TO ₹[●] MILLION BY JYOTI SUBODH SAPRE (THE "OTHER SELLING SHAREHOLDERS, AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS, THE "SELLING SHAREHOLDERS" AND SUCH OFFER FOR SALE OF EQUITY SHARES BY THE SELLING SHAREHOLDERS, THE "OFFER FOR SALE").

IN ACCORDANCE WITH AND SUBJECT TO REGULATION 33 OF THE SEBI ICDR REGULATIONS, THE OFFER MAY INCLUDE A RESERVATION OF UP TO [●] EQUITY SHARES (OF FACE VALUE OF ₹2 EACH), AGGREGATING UP TO ₹[●] MILLION (CONSTITUTING UP TO [●]% OF THE POST OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, MAY OFFER A DISCOUNT OF UP TO [●]% (EQUIVALENT TO ₹[●] PER EQUITY SHARE) TO THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING UNDER THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT").

OUR COMPANY, IN CONSULTATION WITH THE BRLMS, MAY CONSIDER A FURTHER ISSUE OF SPECIFIED SECURITIES AS MAY BE PERMITTED UNDER APPLICABLE LAW, AT ITS DISCRETION, AGGREGATING UP TO ₹370.00 MILLION (THE "PRE-IPO PLACEMENT"), PRIOR TO THE FILING OF THE RED HERRING PROSPECTUS. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SCRR. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20% OF THE SIZE OF THE FRESH ISSUE. PRIOR TO THE COMPLETION OF THE OFFER, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER OR THAT THE OFFER MAY BE SUCCESSFUL AND WILL RESULT IN THE LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RED HERRING PROSPECTUS AND PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARE IS ₹2 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED MARATHI DAILY NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID / OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

In case of any revision in the Price Band, the Bid / Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid / Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of one Working Day, subject to the Bid / Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks ("**SCSBs**"), Designated Intermediaries and the Sponsor Bank(s), as applicable.

This Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**" and such portion, the "**QIB Portion**"), provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"). One-third of the Anchor Investor Portion shall be reserved for the domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**") in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from the Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders (out of which one-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and two-third shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category) and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case of UPI Bidders (as defined hereinafter), as applicable, pursuant to which their corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For further details, see "*Offer Procedure*" on page 518.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue by our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹2 each. The Offer Price, Floor Price or the Price Band as determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for Offer Price*" on page 155, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 44.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms the statements made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus to the extent of information specifically pertaining to them and their portion of the Offered Shares in the Offer for Sale and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. However, each Selling Shareholder, severally and not jointly, confirms that it does not assume any responsibility for any other statements, disclosures and undertakings, including without limitation, any and all of the statements and undertakings made by or in relation to the Company or its business or the other Selling Shareholder or any other person, in this Draft Red Herring Prospectus.

LISTING

The Equity Shares that will be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, [●] is the Designated Stock Exchange. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid / Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 561.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
IIFL CAPITAL	JM FINANCIAL	nuvama	LINKIntime
IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)* 24th Floor, One Lodha Place, Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013, Maharashtra, India **Telephone:** +91 22 4646 4728 **E-mail:** sfc.ipo@iiflcap.com **Investor Grievance E-mail**: ig.ib@iiflcap.com **Website:** www.iiflcap.com **Contact Person**: Yogesh Malpani / Mansi Sampat / Pawan Kumar Jain **SEBI Registration No.**: INM000010940	**JM Financial Limited** 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025, Maharashtra, India **Telephone:** + 91 22 6630 3030 **E-mail**: sfc.ipo@jmfl.com **Investor Grievance E-mail:** grievance.ibd@jmfl.com **Website:** www.jmfl.com **Contact Person:** Prachee Dhuri **SEBI Registration No.:** INM000010361	**Nuvama Wealth Management Limited** 801 - 804, Wing A, Building No 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051 Maharashtra, India **Telephone:** +91 22 4009 4400 **E-mail:** sfc.ipo@nuvama.com **Investor Grievance E-mail:** customerservice.mb@nuvama.com **Website:** www.nuvama.com **Contact Person:** Pari Vaya **SEBI Registration No:** INM000013004	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg Vikhroli (West), Mumbai - 400 083, Maharashtra, India **Telephone:** +91 8108114949 **E-mail:** sfcenvironmental.ipo@linkintime.co.in **Investor Grievance E-mail**: sfcenvironmental.ipo@linkintime.co.in **Website**: www.linkintime.co.in **Contact Person:** Shanti Gopalkrishnan **SEBI Registration No**: INR000004058

BID / OFFER PROGRAMME					
ANCHOR INVESTOR BIDDING DATE	[●]**	**BID / OFFER OPENS ON**	[●]	**BID / OFFER CLOSES ON#**	[●]***

***Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid / Offer Opening Date.*

**** Our Company, in consultation with the BRLMs, may consider closing the Bid / Offer Period for QIBs one Working Day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations.*

 # The UPI mandate end time and date shall be at 5:00 p.m. on Bid / Offer Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, circular, notification, direction, clarification or policy shall be to such legislation, act, regulation, rules, guidelines, circular, notification, direction, clarification or policy or articles of association or memorandum of association as amended, updated, supplemented, re-enacted or modified, from time to time and any reference to a statutory provision shall include any subordinate legislation made, from time to time, under such provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document, the definitions given below shall prevail.

Notwithstanding the foregoing, terms in "Basis for Offer Price", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies in India", "History and Certain Corporate Matters", "Restated Consolidated Financial Information", "Outstanding Litigation and Other Material Developments", " Offer Procedure" and "Articles of Association" on pages 155, 176, 181, 280, 285, 334, 479, 518 and 542, respectively, will have the meaning ascribed to such terms in those respective sections.

General terms

Term	Description
our Company / the Company / the Issuer	SFC Environmental Technologies Limited, a public limited company, that was incorporated under the Companies Act, 1956 and having its registered office at Ambience Court, Hi-Tech Business Park, 21st Floor, Sector 19-D, Plot No. 2, Vashi, Navi Mumbai, Thane 400 705, Maharashtra, India
we / us / our	Unless the context otherwise indicates or implies, our Company, together with our Subsidiaries, on a consolidated basis

Company-related terms

Term	Description
AoA / Articles of Association / Articles	The articles of association of our Company, as amended from time to time. For details of articles of association of our Company, see "*Articles of Association*" on page 542
Associate(s)	The associate of our Company, namely Turbomax India Private Limited. For further details, please see *"Our Subsidiaries, Associates and Joint Ventures"* on page 293
Audit Committee	Audit committee of the Board of Directors, constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations, described in "*Our Management – Committees of our Board – Audit Committee*" on page 310
Auditors / Statutory Auditors	The current statutory auditors of our Company, being GBCA & Associates LLP, Chartered Accountants
Board / Board of Directors	The board of directors of our Company, as constituted from time to time or any duly constituted committee thereof as described in "*Our Management – Board of Directors*" on page 301
Chairman and Managing Director	Sandeep Sudhakar Asolkar, the chairman and managing director of our Company. For details with respect to his profile, see "*Our Management – Board of Directors*" on page 301
Chief Executive Officer / CEO	Mandar Dinkar Desai, the chief executive officer of our Company. For details with respect to his profile, see "*Our Management – Key Managerial Personnel and Senior Management*" on page 319
Chief Financial Officer / CFO	Amit Anil Sawant, the chief financial officer of our Company. For details with respect to his profile, see "*Our Management – Key Managerial Personnel and Senior Management*" on page 319
Company Secretary and Compliance Officer	Shweta Deshpande, the whole time company secretary and compliance officer of our Company. For details with respect to her profile, see "*Our Management – Key Managerial Personnel and Senior Management*" on page 319
Corporate Social Responsibility Committee	The corporate social responsibility committee of the Board of Directors, described in "*Our Management – Committees of our Board – Corporate Social Responsibility Committee*" on page 316

Term	Description
Director(s)	The director(s) on the Board of our Company, as appointed from time to time. For details, see "*Our Management – Board of Directors*" on page 301
ESOP Scheme	The SFC employee stock option scheme 2024 as described in "*Capital Structure – SFC Employee Stock Option Scheme 2024*" on page 139
Equity Shares	The equity shares of our Company of face value of ₹2 each
Executive Director	The executive director of our Company, being Sarvesh Kumar Garg and Saketchandrasingh Pratapsingh Dhandoriya. For further details of our Executive Director, see "*Our Management*" on page 301
F&S	Frost & Sullivan (India) Private Limited
F&S Report	Report titled "*Industry Report on Indian STP, MSW Management, and Biogas Market*" dated November 30, 2024, prepared by F&S pursuant to their engagement letter dated February 28, 2024, commissioned by our Company, and issued by F&S. The F&S Report is available on the website of our Company at https://sfcenvironment.com/investors/financial-highlights/industry-report, and has also been included in "*Material Contracts and Documents for Inspection – Material Documents*" on page 561
Group Company(ies)	Our group companies, in terms of the SEBI ICDR Regulations, as disclosed in the section "*Our Group Companies"* on page 329
HWTPL	Hindustan Waste Treatment Private Limited
Independent Chartered Accountant	The independent chartered accountant appointed by our Company, namely M. I. Shah and Co., Chartered Accountants having a firm registration number as 119025W
Independent Chartered Engineer	The independent chartered engineer appointed by our Company, namely AN Somase and Associates, Chartered Engineer
IPO Committee	The IPO committee of the Board of Directors, described in "Our Management – Committees of our Board" on page 309
Joint Venture	The joint venture of our Company, namely Endress + Hauser & Chavare Engineering (JV) Private Limited. For further details, please see *"Our Subsidiaries, Associates and Joint Ventures"* on page 293.
KMP(s) / Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as described in "*Our Management – Key Managerial Personnel and Senior Management*" on page 319
Materiality Policy	The policy adopted by our Board pursuant to its resolution dated August 14, 2024, for identification of material (a) outstanding litigation proceedings of our Company, our Subsidiaries, our Promoters and our Directors; (b) group companies; and (c) creditors, pursuant to the disclosure requirements under the SEBI ICDR Regulations, for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus
MoA / Memorandum of Association	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of the Board of Directors, described in "*Our Management – Committees of our Board – Nomination and Remuneration Committee*" on page 313
Non-Executive Director	The non-executive director(s) of our Company, namely Chandrakant Vallabhaji Gogri, Neha Rajen Gada, Satish Chandrashekhar Deshpande, Nandkishor Trivikram Joshi and Dilip Damodar Karambelkar. For further details of our Non-Executive Directors, see "*Our Management*" on page 301
Non - Executive Independent Director(s)	The non-executive, independent directors of our Company appointed as per the Companies Act, 2013 and the SEBI Listing Regulations, namely Neha Rajen Gada, Satish Chandrashekhar Deshpande, Nandkishor Trivikram Joshi and Dilip Damodar Karambelkar. For further details of our Non-Executive Independent Directors, see "*Our Management*" on page 301
North Goa Plant	A municipal solid waste treatment plant operated through our Subsidiary, Hindustan Waste Treatment Private Limited situated at Survey No. 47, Sub Div No. 1, Calangute, Bardez – 403 516 North Goa, India.
Other Selling Shareholder(s)	Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri), Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala), Parindu Bansilal Gogri Trust, Jayshree Harit Shah (held jointly with Harit Pragji Shah), Sandeep Sambhaji Parab, Rajesh Kesavan Nambisan, Kumaraguru Madurakavi, Sarvesh Kumar Garg, Veera Venkata Satyanarayana Yannamani, Sagar Mahesh Tanna and Jyoti Subodh Sapre
Parindu Bansilal Gogri Trust	Parindu Bansilal Gogri Trust, represented by its trustees namely, Rashesh Chandrakant Gogri, Chandrakant Vallabhaji Gogri and Hetal Gogri Gala
Pentagen	Pentagen Biofuels Private Limited
Pune Facility - I	Pune facility of our Company situated at Ground Floor, PAP G/8/7, Shree & Shree Udyog, MIDC Phase III, Kuruli, Chakan, Pune 410 501, Maharashtra, India

Term	Description
Pune Facility - II	Pune facility of our Company situated at PAP S-79, Savardari, Chakan Industrial Area Phase 2, Chakan, Pune 410501, Maharashtra, India
Promoters / Individual Promoters	Sandeep Sudhakar Asolkar, Priya Sandeep Asolkar and Saketchandrasingh Pratapsingh Dhandoriya
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in "*Our Promoters and Promoter Group*" on page 324
Promoter Selling Shareholders	Saketchandrasingh Pratapsingh Dhandoriya, Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar) and Sandeep Sudhakar Asolkar
Registered Office / Registered and Corporate Office	The Ambience Court, Hi-Tech Business Park, 21st Floor, Sector 19-D, Plot No. 2, Vashi, Navi Mumbai, Thane 400 705, Maharashtra, India
Restated Consolidated Financial Information	The restated consolidated financial information of the Company, its subsidiaries, its associate and its joint venture, comprising of the restated consolidated balance sheet as at June 30, 2024, June 30, 2023, March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity and the restated consolidated statement of cash flows for the quarter ended June 30, 2024 and June 30, 2023 and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, the summary statement of material accounting policies, notes , and other explanatory information relating to such financial periods prepared in accordance with Ind AS specified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and restated in accordance with the SEBI ICDR Regulations and included in "*Restated Consolidated Financial Information*" on page 334.
Risk Management Committee	The risk management committee of the Board of Directors constituted in accordance with the SEBI Listing Regulations, described in "*Our Management – Committees of our Board – Risk Management Committee*" on page 317
RoC / Registrar of Companies	The Registrar of Companies, Maharashtra at Mumbai
Scheme of Amalgamation	A composite scheme of amalgamation and arrangement filed by our Company under section 230-232 and other applicable provisions of the Companies Act, 2013, for the amalgamation and arrangement between Enviropro Water Tech Private Limited, Intergeo Solid Waste Management Private Limited and our Company before the National Company Law Tribunal, Mumbai Bench, on April 19, 2022. For further details, see "*History and Certain Corporate Matters - Mergers or amalgamations*" on page 289
Second Amendment Agreement	The agreement dated November 28, 2024, for amending the Shareholders' Agreement and the Waiver - cum - Amendment Agreement, executed by and amongst our Company (which shall include the merged entity Enviropro Water Tech Private Limited), Sandeep Sudhakar Asolkar, Saketchandrasingh Pratapsingh Dhandoriya, Chandrakant Vallabhaji Gogri, Rajesh Kesavan Nambisan, Sandeep Sambhaji Parab, Kumaraguru Madurakavi, Sarvesh Kumar Garg, Veera Venkata Satyanarayana Yannamani and confirming parties (i.e., Aparna Vivek Kapoor and Subodh Sapre)
Selling Shareholders	Collectively, the Promoter Selling Shareholders and Other Selling Shareholders
Senior Management	The senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as described in "*Our Management – Key Managerial Personnel and Senior Management*" on page 320
Shareholders	The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares
Shareholders' Agreement / SHA	The shareholders' agreement dated October 29, 2022, entered by and amongst Enviropro Water Tech Private Limited, our Company, Chandrakant Vallabhaji Gogri (on behalf of himself and his affiliates representing the investor group consisting of various individual investors and/or entities who have duly authorised him), Aparna Vivek Kapoor, Rajesh Kesavan Nambisan, Sandeep Sambhaji Parab, Kumaraguru Madurakavi, Subodh Sapre, Sarvesh Kumar Garg, Veera Venkata Satyanarayana Yannamani, Sandeep Sudhakar Asolkar and Saketchandrasingh Pratapsingh Dhandoriya, as amended and modified pursuant to the Waiver - cum - Amendment Agreement and Second Amendment Agreement.
South Goa Plant	A municipal solid waste treatment plant operated through our Subsidiary, Vasudha Waste Treatment Private Limited situated at Survey No. 164/8, 165/1, 167, 168, 169, Curchorem, Cacora – 403706 South Goa, India.
Stakeholders' Relationship Committee	The stakeholders' relationship committee of the Board of Directors constituted in accordance with the SEBI Listing Regulations, described in "*Our Management – Committees of our Board – Stakeholders' Relationship Committee*" on page 315
Subsidiary(ies)	The subsidiaries of our Company, namely (a) Chavare Engineering Private Limited; (b) Fine Aeration Systems Private Limited; (c) Hindustan Waste Treatment Private Limited; (d) Navitas Waste Treatment Private Limited; (e) Pentagen Biofuels Private Limited; (f)

Term	Description
	SFC Ekotechnika s.r.o.; (g) SFC Umwelttechnik GmbH; and (h) Vasudha Waste Treatment Private Limited. For further details, please see *"Our Subsidiaries, Associates and Joint Ventures"* on page 293 Chavare Engineering & Endress Plus Hauser JV is a step-down subsidiary of the Company as per Ind AS. Chavare Engineering & Endress Plus Hauser JV is a non-corporate entity (association of persons) and has been consolidated in the Restated Consolidated Financial Information in accordance with the requirement of Ind AS 110 "Consolidated Financial Statement".
VWTPL	Vasudha Waste Treatment Private Limited
Waiver - cum - Amendment Agreement	The agreement dated August 14, 2024, for amending the Shareholders' Agreement executed by and amongst our Company (which shall include the merged entity Enviropro Water Tech Private Limited), Sandeep Sudhakar Asolkar, Saketchandrasingh Pratapsingh Dhandoriya, Chandrakant Vallabhaji Gogri, Rajesh Kesavan Nambisan, Sandeep Sambhaji Parab, Kumaraguru Madurakavi, Sarvesh Kumar Garg, Veera Venkata Satyanarayana Yannamani and confirming parties (i.e., Aparna Vivek Kapoor and Subodh Sapre)

Offer-related terms

Term	Description
Abridged Prospectus	The memorandum containing such salient features of a prospectus as may be specified by the SEBI in this regard
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment or transfer, as the case may be of Equity Shares offered pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100.00 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs during the Anchor Investor Bidding Date
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	The date, being one Working Day prior to the Bid / Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid / Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLMs, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
Applications Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB or to block the Bid Amount upon acceptance of the UPI Mandate Request by UPI Bidders using the UPI Mechanism

Term	Description
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form, which may be blocked by such SCSB or the account of the UPI Bidders blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism to the extent of the Bid Amount of the ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Bank(s) and Public Offer Account Bank(s)
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer
Bid	An indication to make an offer during the Bid / Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and an Anchor Investor
Bid Amount	In relation to each Bid, the highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and, in the case of Retail Individual Bidders Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Offer which was net of the Employee Discount, as applicable. However, Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-off Price and the Bid amount shall be Cap Price net of Employee Discount, if any, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹0.50 million (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million (net of employee discount, if any). Only in the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million (net of employee discount, if any) subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount, if any).
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid / Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located). In case of any revisions, the extended Bid / Offer Closing Date shall also be notified on the website of the BRLMs and terminals of the Syndicate Members, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank(s), and shall also be notified in an advertisement in the same newspapers in which the Bid / Offer Opening Date was published, as required under the SEBI ICDR Regulations. Our Company in consultation with the Book Running Lead Managers may consider closing the Bid / Offer Period for QIBs one Working Day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations
Bid / Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely

Term	Description
	circulated Marathi newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located)
Bid / Offer Period	Except in relation to Anchor Investors, the period between the Bid / Offer Opening Date and the Bid / Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and in accordance with the terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company and the Selling Shareholders, may, in consultation with the BRLMs, consider closing the Bid / Offer Period for the QIB Category one Working Day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers / BRLMs	The book running lead managers to the Offer namely IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*, JM Financial Limited and Nuvama Wealth Management Limited
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on / after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price, subject to being a minimum of 105% of the Floor Price
Cash Escrow and Sponsor Bank Agreement	Agreement dated [●] to be entered into by our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Members and the Banker(s) to the Offer for, among other things, the appointment of the Escrow and Sponsor Bank(s), the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof in accordance with the UPI circulars
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant(s) / CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the SEBI RTA Master Circular and the UPI Circulars issued by SEBI, and as per the list available on the websites of BSE and NSE, as updated from time to time
Cut-off Price	Offer Price, finalised by our Company, in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion and Eligible Employees under the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including the Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder’s address, name of the Bidder’s father / husband, investor status, occupation, PAN, demat account and bank account details and UPI ID, where applicable
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) as updated from time to time
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange in terms of the Red Herring Prospectus, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer
Designated Intermediaries	Collectively, the members of the Syndicate, Sub-Syndicate or agents, SCSBs (other than in

Term	Description
	relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Offer. In relation to ASBA Forms submitted by RIBs and Non-Institutional Bidders Bidding with an application size of up to ₹0.50 million (not using the UPI mechanism) and Eligible Employees Bidding in the Employee Reservation Portion by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, Sub-Syndicate / agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders with an application size of more than ₹0.50 million (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, Sub-Syndicate / agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus / DRHP	This draft red herring prospectus dated December 2, 2024, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto
Eligible Employee	All or any of the following: (a) a permanent employee of our Company and/or our Subsidiaries, working in India or outside India, as of the date of filing of the Red Herring Prospectus with the RoC and who continues to be a permanent employee of our Company and/or our Subsidiaries, until the submission of the Bid cum Application Form; and (b) a Director of our Company and/or our Subsidiaries, whether whole time or not, who is eligible to apply under the Employee Reservation Portion under applicable law as on the date of filing of the Red Herring Prospectus with the RoC and who continues to be a Director of our Company and/or our Subsidiaries, until the submission of the Bid cum Application Form in India or abroad, but not including (i) Promoters; (ii) persons belonging to the Promoter Group; and (iii) Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares of our Company; and (iv) an independent director. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹0.50 million (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million (net of Employee Discount, if any). Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million (net of Employee Discount, if any), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount, if any).
Eligible FPIs	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby
Eligible NRI(s)	NRI(s) eligible to invest under Schedule 3 and Schedule 4 of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Employee Discount	A discount of up to [●]% to the Offer Price (equivalent of ₹[●] per Equity Share of face value of ₹2 each) as may be offered by our Company, in consultation with the BRLMs, to Eligible Employees and which shall be announced at least two Working Days prior to the Bid / Offer Opening Date

Term	Description
Employee Reservation Portion	The portion of the Offer being up to [●] Equity Shares of face value of ₹2 each, aggregating to ₹[●] available for allocation to Eligible Employees, on a proportionate basis. Such portion shall not exceed 5% of the post-Offer Equity Share capital of the Company
Escrow Account(s)	The 'no-lien' and 'non-interest bearing' account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit / NEFT / RTGS / NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder / Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	The fresh issue component of the Offer comprising of an issuance by our Company of up to [●] Equity Shares of face value of ₹2 each at ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹1,850.00 million. The Company, in consultation with the BRLMs, may consider a further issue of specified securities as may be permitted under applicable law, at its discretion, aggregating up to ₹370.00 million (the "**Pre-IPO Placement**"), prior to the filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document / GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, suitably modified and updated pursuant to, among others, SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
Gross Proceeds	The Offer proceeds from the Fresh Issue that will be available to our Company
IIFL	IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*
JM	JM Financial Limited
Mobile App(s)	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism as provided under 'Annexure A' for the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
Minimum NIB Application Size	Bid amount of more than ₹0.20 million in the specified lot size
Monitoring Agency	[●], being a credit rating agency registered with SEBI
Monitoring Agency Agreement	The agreement dated [●] to be entered into between our Company and the Monitoring Agency, prior to filing of the Red Herring Prospectus
Mutual Fund	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
Mutual Fund Portion	Up to 5% of the Net QIB Portion, or [●] Equity Shares of face value of ₹2 each, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	The proceeds from the Fresh Issue less the Offer related expenses applicable to the Fresh Issue. For further details regarding the use of the Net Proceeds and the Offer related expenses, see "*Objects of the Offer*" on page 141
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors

Term	Description
Non-Institutional Bidders / NIBs	All Bidders that are not QIBs, Retail Individual Bidders or Eligible Employees Bidding in the Employee Reservation Portion who have Bid for Equity Shares for an amount more than ₹0.20 million (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Net Offer being not less than 15% of the Net Offer consisting of [●] Equity Shares of face value of ₹2 each which shall be available for allocation to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: One third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million while the remaining portion shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders
Non-Resident / NR	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
Nuvama	Nuvama Wealth Management Limited
Offer	The initial public offering of up to [●] Equity Shares of face value of ₹2 each, comprising of a Fresh Issue and the Offer for Sale, for cash at a price of ₹[●] each, aggregating up to ₹[●] million. The Offer comprises of the Net Offer and the Employee Reservation Portion. The Company, in consultation with the BRLMs, may consider a further issue of specified securities as may be permitted under applicable law, at its discretion, aggregating up to ₹370.00 million (the "**Pre-IPO Placement**"), prior to the filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.
Offer Agreement	The agreement dated December 2, 2024, amongst our Company, the Selling Shareholders and the BRLMs, pursuant to the requirements of the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale component of the Offer of up to 10,824,790 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million (comprising of an offer for sale of up to 1,265,120 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Saketchandrasingh Pratapsingh Dhandoriya, up to 2,712,820 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar), up to 2,025,000 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sandeep Sudhakar Asolkar, up to 127,630 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri), up to 862,400 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala), up to 21,070 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Parindu Bansilal Gogri Trust, up to 70,310 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Jayshree Harit Shah (held jointly with Harit Pragji Shah), up to 688,910 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sandeep Sambhaji Parab, up to 688,910 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Rajesh Kesavan Nambisan, up to 688,910 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Kumaraguru Madurakavi, up to 829,080 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sarvesh Kumar Garg, up to 321,580 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Veera Venkata Satyanarayana Yannamani, up to 11,250 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sagar Mahesh Tanna and up to 511,800 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Jyoti Subodh Sapre)
Offer Price	The final price at which Equity Shares will be Allotted to ASBA Bidders, in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus.

Term	Description
	The Offer Price will be decided by our Company, in consultation with the BRLMs on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale (net of their portion of Offer-related expenses and relevant taxes thereon) which shall be available to the Selling Shareholders in proportion to the respective portion of Offered Shares of each such Selling Shareholder. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" on page 141
Offered Shares	Up to 10,824,790 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million being offered by the Selling Shareholders as part of the Offer for Sale, comprising up to 1,265,120 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Saketchandrasingh Pratapsingh Dhandoriya, up to 2,712,820 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar), up to 2,025,000 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sandeep Sudhakar Asolkar, up to 127,630 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri), up to 862,400 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala), up to 21,070 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Parindu Bansilal Gogri Trust, up to 70,310 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Jayshree Harit Shah (held jointly with Harit Pragji Shah), up to 688,910 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sandeep Sambhaji Parab, up to 688,910 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Rajesh Kesavan Nambisan, up to 688,910 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Kumaraguru Madurakavi, up to 829,080 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sarvesh Kumar Garg, up to 321,580 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Veera Venkata Satyanarayana Yannamani, up to 11,250 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sagar Mahesh Tanna and up to 511,800 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Jyoti Subodh Sapre)
Pre-IPO Placement	A further issue of specified securities as may be permitted under applicable law, aggregating up to ₹370.00 million, prior to the filing of the Red Herring Prospectus, that may be considered by our Company, in consultation with the BRLMs. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.
Price Band	Price band ranging from a minimum price of ₹[●] per Equity Share (Floor Price) to the maximum price of ₹[●] per Equity Share (Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLMs, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located) at least two Working Days prior to the Bid / Offer Opening Date, with the relevant financial ratios calculated at the Floor price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company, in consultation with the BRLMs, will finalise the Offer Price
Promoters' Contribution	Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company that is eligible to form part of the minimum promoters' contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked-in for a period of 18 months from the date of Allotment
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined in accordance with the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto

Term	Description
Public Offer Account(s)	Bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
Public Offer Account Bank(s)	The banks with which the Public Offer Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
Qualified Institutional Buyers / QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIB Bidders	QIBs who Bid in the Offer
QIB Category / QIB Portion	The portion of the Net Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer comprising of up to [●] Equity Shares of face value of ₹2 each which shall be allocated to QIBs (including Anchor Investors), on a proportionate basis, (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company, in consultation with the Book Running Lead Managers), subject to valid Bids being received at or above the Offer Price
Red Herring Prospectus / RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid / Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992, as amended and the Stock Exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of SEBI ICDR Master Circular and SEBI circular No. CIR/CFD/14/2012 dated October 4, 2012 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), issued by SEBI
Registrar Agreement	The agreement dated December 2, 2024, amongst our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar and Share Transfer Agents / RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant bidders at the Designated RTA Locations in terms of SEBI RTA Master Circular read with SEBI ICDR Master Circular and as per the lists available on the website of BSE and NSE, and the UPI Circulars
Registrar to the Offer / Registrar	Link Intime India Private Limited
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Bidder(s) / RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹0.20 million in any of the bidding options in the Offer (including HUFs applying through their *karta* and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Net Offer being not less than 35% of the Net Offer consisting of up to [●] Equity Shares of face value of ₹2 each, which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Offer Price) in accordance with the SEBI ICDR Regulations
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid / Offer Period and withdraw their Bids until Bid / Offer Closing Date
Self-Certified Syndicate Bank(s) / SCSB(s)	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at

Term	Description
	https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time. In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time. In accordance with SEBI RTA Master Circular, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI. A list of SCSBs and mobile applications, which, are live for applying in public issues using UPI Mechanism as provided as 'Annexure A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and at (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time
Share Escrow Agent	Share escrow agent to be appointed pursuant to the Share Escrow Agreement, namely [●]
Share Escrow Agreement	Agreement dated [●] to be entered into amongst our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders
Sponsor Bank(s)	The Banker(s) to the Offer registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended, which has been appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and/or payment instructions of the UPI Bidders, using the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, in this case being [●]
Stock Exchanges	Collectively, BSE and NSE
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms
Syndicate / Members of the Syndicate	Together, the BRLMs and the Syndicate Members
Syndicate Agreement	Agreement dated [●] to be entered into amongst our Company, the Selling Shareholders, the BRLMs, the Syndicate Members and the Registrar in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries (other than the BRLMs) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, in this case being [●]
Systemically Important Non-Banking Financial Company / NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	[●]
Underwriting Agreement	The agreement dated [●] to be entered into among the Underwriters, our Company and the Selling Shareholders, on or after the Pricing Date, but prior to filing of the Red Herring Prospectus or Prospectus with the RoC, as applicable.
UPI	Unified payments interface, which is an instant payment mechanism developed by NPCI
UPI Bidder(s)	Collectively, individual investors applying as (i) Retail Individual Bidders, in the Retail Portion, (ii) Eligible Employees, under the Employee Reservation Portion, and (iii) Non-Institutional Bidders with an application size of up to ₹0.50 million in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to the SEBI ICDR Master Circular and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations) issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹0.50 million shall use UPI and shall provide their UPI ID in the bid-cum-application form

Term	Description
	submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (to the extent these circulars are not rescinded by the SEBI RTA Master Circular and SEBI ICDR Master Circular), SEBI master circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 (to the extent applicable), SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, SEBI RTA Master Circular (to the extent it pertains to UPI), along with the circulars issued by the National Stock Exchange of India Limited having reference no. 23/2022 dated July 22, 2022 and reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220722-30 dated July 22, 2022 reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard.
UPI ID	An ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI Mobile App and by way of a SMS directing the UPI Bidder to such UPI Mobile App) to the RIB initiated by the Sponsor Bank(s) to authorise blocking of funds in the relevant ASBA Account through the UPI Mobile App equivalent to the Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by a UPI Bidder to make a Bid in the Offer in accordance with the UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter or a Fraudulent Borrower	A company or person, as the case may be, categorised as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI
Working Day(s)	All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid / Offer Period, the expression “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid / Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays in Mumbai, India, as per the circulars issued by SEBI

Conventional and general terms and abbreviations

Term	Description
AGM	Annual general meeting
AIF(s)	Alternative Investment Funds as defined in, and registered with SEBI under the SEBI AIF Regulations
Average Net Worth	Average net worth is defined as the arithmetic average of opening and closing balance of Net Worth
Bn	Billion
BSE	BSE Limited
CAGR	Compound annual growth rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the 12 months period ending December 31
Cash Conversion Cycle	Cash conversion cycle is computed as trade receivables days plus inventory days minus trade payable days

Term	Description
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act, 1956	The erstwhile Companies Act, 1956, along with the relevant rules made thereunder
Companies Act / Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force
Consolidated FDI Policy	The consolidated foreign direct investment policy bearing DPIIT file number 5(2) / 2020-FDI Policy dated October 15, 2020 and effective from October 15, 2020, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India and any modifications thereto or substitutions thereof, issued from time to time
COVID-19	Coronavirus disease 2019, a respiratory illness caused by the Novel Coronavirus and a public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CrPC	Code of Criminal Procedure, 1973
CSR	Corporate social responsibility
Depositories	NSDL and CDSL, collectively
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's identity number
DP or Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	The Department for Promotion of Industry and Internal Trade (earlier known as Department of Industrial Policy and Promotion)
EGM	Extraordinary general meeting
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
ESIC	Employees' State Insurance Corporation
ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
€ / Euro	Euro, the official currency of the European Union
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA NDI Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year / Fiscal / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIR	First information report
Fixed Asset Turnover Ratio	Fixed asset turnover is calculated as revenue from operations divided by average property, plant and equipment
FPIs	Foreign Portfolio Investors, as defined under SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000) registered with SEBI
GAAR	General anti-avoidance rules
GDP	Gross Domestic Product
GoI / Government / Central Government	Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
IAS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
ICAI	Institute of Chartered Accountants of India
ICDS	Income Computation and Disclosure Standards
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
IFSC	Indian Financial System Code
IGST	Integrated Goods and Services Tax
Income Tax Act / IT Act	Income-tax Act, 1961

Term	Description
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013
Ind AS 24	Indian Accounting Standard 24, "Related Party Disclosures", notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013
IGAAP / Indian GAAP	Accounting standards notified under Section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006, as amended and the Companies (Accounts) Rules, 2014, as amended
INR / Rupee / ₹ / Rs.	Indian Rupee, the official currency of the Republic of India
IPC	Indian Penal Code, 1860
IRDAI	Insurance Regulatory and Development Authority of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information Technology
KYC	Know Your Customer
MAT	Minimum Alternate Tax
MCA	The Ministry of Corporate Affairs, Government of India
MCLR	Marginal Cost of Funds Based Lending Rate
Mn / mn	Million
MoU	Memorandum of Understanding
MSMEs	Small scale undertakings as per the Micro, Small and Medium Enterprises Development Act, 2006
N.A.	Not applicable
NACH	National Automated Clearing House
Net asset value per equity share / NAV	Net worth (excluding non-controlling interest) as restated / weighted average number of equity shares outstanding at the end of the period / year adjusted for subdivision of the equity shares and issue of bonus shares, in accordance with principles of Ind AS 33
Net Debt	Net Debt is calculated as total debt reduced by cash and cash equivalents and bank balances other than cash and cash equivalents
Net Debt to Equity Ratio	Net debt / equity is calculated as net debt divided by total equity
Net Worth	Net worth shall mean the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write -back of depreciation and amalgamation
NBFC	Non-Banking Financial Company
NEFT	National Electronic Fund Transfer
NOC	No-objection certificate
NPCI	National Payments Corporation of India
NR / Non-Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs and FVCIs
NRI / Non-Resident Indian	Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas corporate body, a company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
Operating EBITDA	Operating EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit of joint ventures / associate and other income as per the Restated Consolidated Financial Information
Operating EBITDA Margin	Operating EBITDA Margin (%) is calculated as Operating EBITDA divided by revenue from operations * 100
PAN	Permanent account number
Profit after tax / PAT	PAT represents total profit after tax for the year as per the Restated Consolidated Financial Information.
PAT Margin	PAT margin is calculated as PAT divided by revenue from operations * 100
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act

Term	Description
Return on Capital Employed / ROCE	ROCE is calculated as a percentage of earnings before interest and taxes / total equity plus total borrowings plus deferred tax liabilities minus deferred tax assets as per the Restated Consolidated Financial Information. EBIT is calculated as profit before tax and share of profit of joint ventures / associate plus finance costs
Return on Equity	ROE is calculated as total profit after tax for the period / year divided by average total equity
Return on Net Worth / RoNW	Profit after tax attributable to owners / Average Net Worth.
Revenue from Operations	Revenue from operations is calculated as revenue from sale of products, services and other operating revenues as per the Restated Consolidated Financial Information
RTGS	Real Time Gross Settlement
SCORES	Securities and Exchange Board of India Complaints Redress System, a centralized web based complaints redressal system launched by SEBI
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI ICDR Master Circular	SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI RTA Master Circular	SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
STT	Securities Transaction Tax
Trade Marks Act	Trade Marks Act, 1999
US$ / USD / US Dollar	United States Dollar, the official currency of the United States of America
USA / U.S. / US	United States of America and its territories and possessions, including any state of the United States, and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
U.S. Securities Act	U.S. Securities Act of 1933
U.S. SEC	Securities and Exchange Commission of the United States of America
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be

Business, technical and industry-related terms

Term	Description
BOD	Biochemical oxygen demand
CBG	Compressed biogas
CGDs	City gas distribution companies
COD	Chemical oxygen demand
C-Tech	Cyclic activated sludge technology
DO	Dissolved oxygen
EPC	Engineering, procurement and construction
FDF	Fibre disc filter
GWMC	Goa Waste Management Corporation
ICEAS	Intermittent cycle extended aeration system
MEA	Middle East and Africa

Term	Description
MLD	Million litres per day
MSW	Municipal Solid Waste
MLSS	Mixed liquor suspended solids
MMSCM	Million Standard Cubic Metre
MT	Metric ton
O&M	Operations and maintenance
OGMC	Oil and gas marketing companies
OREX	Organic Extraction
OUR	Oxygen uptake rate
PET	Polyethylene terephthalate
PLC	Programmable logic controller
PSU	Public-sector undertakings
RDF	Refused derived fuel
SBR	Sequencing batch reactor
SCADA	Supervisory control and data acquisition
SW	Sludge wasting
SWT	Solid waste treatment
STP	Sewage treatment plant
SVI	Sludge volume index
TIG	Tungsten Inert Gas
TPD	Tons per day
UF	Ultrafiltration
uPVC	Unplasticized polyvinyl chloride
VFD	Variable Frequency Drive
WTE	Waste to Energy
WWT	Wastewater treatment
Yucheon	Yucheon Enviro Co., Limited (South Korea)

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain conventions

All references in this Draft Red Herring Prospectus to "India" are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

All references herein to the "US", the "U.S.", the "USA", or the "United States" are to the United States of America and its territories and possessions, all references to "Austria", are to the Republic of Austria and its territories and possessions and all references to "Czechia", are to the Czech Republic and its territories and possessions.

Page Numbers

Unless indicated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to page numbers of this Draft Red Herring Prospectus.

Financial data

Unless stated otherwise or the context otherwise requires, the financial information in this Draft Red Herring Prospectus is derived from the Restated Consolidated Financial Information.

Unless stated otherwise or the context requires otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus are derived from our Restated Consolidated Financial Information. The Restated Consolidated Financial Information of the Company, its subsidiaries, its associate and its joint venture, comprising of the restated consolidated balance sheet as at June 30, 2024, June 30, 2023, March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity and the restated consolidated statement of cash flows for the quarter ended June 30, 2024 and June 30, 2023 and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, the summary statement of material accounting policies, notes, and other explanatory information relating to such financial periods prepared in accordance with Ind AS specified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and restated in accordance with the SEBI ICDR Regulations and included in "Restated Consolidated Financial Information" on page 334.

For further information on our Company's financial information, please see "*Restated Consolidated Financial Information*" on page 334.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. In addition, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Our Company's financial year commences on April 1 and ends on March 31 of the next calendar year. Accordingly, all references in this Draft Red Herring Prospectus to a particular "Financial Year", "Fiscal" or "Fiscal Year", unless stated otherwise, are to the 12-month period ended on March 31 of that particular calendar year.

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act 2013, the SEBI ICDR Regulations and Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring

Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS, please see *"Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as US GAAP and International Financial Reporting Standards ("**IFRS**"), which investors may be more familiar with and consider material to their assessment of our financial condition"* on page 80.

Unless the context otherwise indicates, any percentage amounts (excluding certain operational metrics), with respect to the financial information of our Company in this Draft Red Herring Prospectus have been derived from the Restated Consolidated Financial Information.

Non-GAAP measures

Certain non-GAAP measures presented in this Draft Red Herring Prospectus such as Operating EBITDA, Operating EBITDA Margin, PAT Margin, ROE, ROCE, Net Debt to Equity ratio and Networth (collectively "**Non-GAAP Measures**") are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures and other statistical and other information relating to our operations and financial performance, may not be computed on the basis of any standard methodology that is applicable across the industry and, therefore, a comparison of similarly titled Non-GAAP Measures or statistical or other information relating to operations and financial performance between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, we compute and disclose them as our Company's management believes that they are useful information in relation to our business and financial performance.

For the risks relating to Non-GAAP Measures, see "*Risk Factors – We have presented certain supplemental information of our performance and liquidity which is not prepared under or required under Ind AS*" on page 74.

Industry and market data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been derived from a report titled "*Industry Report on Indian STP, MSW Management, and Biogas Market*" dated November 30, 2024 (the "**F&S Report**") that has been commissioned and paid for by our Company and prepared by F&S exclusively for the purpose of understanding the industry our Company operates in, in connection with the Offer. The F&S Report is available on the website of our Company at https://sfcenvironment.com/investors/financial-highlights/industry-report, until the Bid / Offer Closing Date. F&S has confirmed pursuant to its letter dated February 28, 2024 that it is an independent agency and is not related, in any manner, to our Company, our Directors, our Promoters, any of the Selling Shareholders, our Subsidiaries or the Book Running Lead Managers.

Although we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable and while industry publications generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, such industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect and their accuracy, adequacy, completeness or reliability are not guaranteed and cannot be assured. The data used in these sources may also have been reclassified by us for the purposes of presentation and may also not be comparable. Further, industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which we conduct business, and the methodologies and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by Frost & Sullivan (India) Private Limited ("**F&S**"), exclusively commissioned and paid for by our Company for the purpose of this Offer*" on page 68. Accordingly, no investment decisions should be made based on such information.

Disclaimer of Frost & Sullivan (India) Private Limited

This Draft Red Herring Prospectus contains data and statistics from the F&S Report, which is subject to the following disclaimer:

*"Frost & Sullivan has taken due care and caution in preparing this report ("**F&S Report**") based on the information obtained by Frost & Sullivan from sources which it considers reliable ("**Data**"). This F&S Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as Frost & Sullivan providing or intending to provide any services in jurisdictions where Frost & Sullivan does not have the necessary permission and/or registration to carry out its business activities in this regard. SFC Environmental Technologies Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the F&S Report or part thereof outside India. No part of this Frost & Sullivan Report may be published / reproduced in any form without Frost & Sullivan's prior written approval."*

In accordance with the SEBI ICDR Regulations, the section "*Basis for Offer Price*" on page 155 includes information relating to our peer group companies, which has been derived from publicly available sources. This information is believed to be reliable and has been verified by M. I. Shah and Co., Chartered Accountants, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Accordingly, no investment decisions should be based solely on such information.

Time and Year

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a Calendar Year.

Currency and Units of Presentation

All references to:

- '**Rupees**' or '**₹**' or '**Rs.**' or **INR** are to Indian Rupees, the official currency of the Republic of India.
- '**U.S.$**', '**U.S. Dollar**', '**USD**' or '**U.S. Dollars**' are to United States Dollars, the official currency of the United States of America.
- '**EUR**' or "€" are to Euro, the official currency of the European Union.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. Except otherwise stated, all figures have been expressed in millions. One million represents '0.1 crore', '10 lakhs' or 1,000,000. However, where any figures that may have been sourced from third-party industry sources and expressed in denominations other than millions, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Figures sourced from third-party industry sources may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such number of decimal points as provided in such respective sources. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Exchange rates

This Draft Red Herring Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

(in ₹)

Currency	Exchange Rate as on				
	June 30, 2024	June 30, 2023	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.45	82.04	83.37	82.22	75.81
1 EURO	89.25	89.13	90.22	89.61	84.66

Source: www.fbil.org.in and www.rbi.org.in
Note: Exchange rate is rounded off to two decimal places and in case March 31 of any of the respective years is a public holiday, the previous Working Day not being a public holiday has been considered.

Notice to Prospective Bidders

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of this Offer, including the merits and risks involved. The Equity Shares offered in the Offer have not been and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities law. Accordingly, the Equity Shares are only being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. There will be no offering of securities in the United States.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward looking statements include statements which can generally be identified by words or phrases such as *"aim", "anticipate", "are likely", "believe", "continue", "can", "could", "expect", "estimate", "intend", "may", "likely", "objective", "plan", "project", "propose", "seek to", "shall", "should", "will", "will continue",* or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. These forward-looking statements are based on our management's belief and assumptions, current plans, estimates, presumptions and expectations, which in turn are based on currently available information. As a result, actual results could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance.

Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate. Actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations, and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater to, and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India or globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Failure of the technologies that we offer and the displacement of our products by new and advanced technologies.
- Our dependence on certain major customers and absence of long term contracts with most of these customers, as we generate a majority of our revenues from these major customers.
- Our ability to continue our historical rate of growth.
- Failure to meet additional financing requirements for our capital expenditure and working capital requirements.
- Delay, modification or cancellation of our orders may have an adverse impact on our business and cash flows.
- Our ability to successfully retain our employees and key managerial personnels and our ability to attract and retain new employees and key managerial personnels.
- Our ability to effectively utilize our manufacturing and installed waste treatment capacities.
- Failure by third parties to supply, manufacture and deliver products on terms acceptable to us and our ability to deliver the same to customers may affect our ability to retain and expand our customer base.
- Our ability to participate and win projects through competitive bidding process and our ability to negotiate standard form of contracts for our projects may restrict our flexibility in undertaking our business and thereby affect the execution and profitability of our projects.
- Our ability to maintain positive cash flows from our operating activities.

For a further discussion of factors that could cause our actual results to differ from our estimates and expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 44, 253 and 447, respectively.

Neither our Company, nor the Selling Shareholders, nor the BRLMs, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Shares from the date of the Red Herring Prospectus until the date of Allotment. In accordance with the requirements of SEBI, each of the Selling Shareholders (through our Company and the BRLMs) shall, severally and not jointly, to the extent of statements specifically made or confirmed by them in relation to themselves and their respective portion of Offered Shares in this Draft Red Herring Prospectus, ensure that investors in India are informed of material developments until the date of Allotment.

SECTION II - SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Our Promoters and Promoter Group", "Restated Consolidated Financial Information" and "Outstanding Litigation and Other Material Developments" on pages 44, 85, 103, 141, 181, 253, 324, 334 and 479 respectively of this Draft Red Herring Prospectus.

Primary business of our Company

We are an environmental technology company offering efficient technologies and comprehensive engineering solutions in the field of wastewater treatment and solid waste treatment. Our core operations include providing design, technology, manufacturing, supply and supervision for installation and commissioning of equipment for the treatment of wastewater. Additionally, our Company offers technology solutions for SWT plants comprising of design, engineering, financing, construction, supply and installation, commissioning, performance run, turnkey solutions and operations and maintenance. We are among the select few players who have leveraged global technology in the municipal solid waste space and transformed it to be suitable for Indian needs. *(Source: F&S Report)*

Summary of the industry in which our Company operates

India's wastewater treatment market is growing due to opportunities in the industrial and municipal sectors. Market growth is driven by high industrial activity, economic expansion, and groundwater depletion, creating demand for effective wastewater management solutions. This industry has maintained a 5.5% CAGR over the past five years and is projected to accelerate to 9.6% growth in the next five years (*Source: F&S Report*). Municipal Solid Waste (MSW) has multiple revenue potentials from sales of compressed biogas, electricity, recyclables, and compost. The revenue potential is likely to increase to ₹257.50 billion by Financial Year 2028, growing at a CAGR of 10.6% (*Source: F&S Report*).

Names of Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters are Sandeep Sudhakar Asolkar, Priya Sandeep Asolkar and Saketchandrasingh Pratapsingh Dhandoriya. For further details, see "*Our Promoters and Promoter Group*" on page 324.

Offer size

The following table summarizes the details of the Offer. For further details, see "*The Offer*" and "*Offer Structure*" on pages 85 and 513, respectively.

Offer(1)	Up to [●] Equity Shares of face value of ₹2 each for cash at price of ₹[●] per Equity Share (including a premium of [●] per Equity Share), aggregating up to ₹[●] million
of which	
(i) Fresh Issue(1)^	Up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹1,850.00 million
(ii) Offer for Sale(2)	Up to 10,824,790 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million (comprising of an offer for sale of up to 1,265,120 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Saketchandrasingh Pratapsingh Dhandoriya, up to 2,712,820 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar), up to 2,025,000 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sandeep Sudhakar Asolkar, up to 127,630 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri), up to 862,400 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala), up to 21,070 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Parindu Bansilal Gogri Trust, up to 70,310 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Jayshree Harit Shah (held jointly with Harit Pragji Shah), up to 688,910 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sandeep Sambhaji Parab, up to 688,910 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Rajesh Kesavan Nambisan, up to 688,910 Equity Shares of face value of ₹2 each aggregating

	up to ₹[●] million by Kumaraguru Madurakavi, up to 829,080 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sarvesh Kumar Garg, up to 321,580 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Veera Venkata Satyanarayana Yannamani, up to 11,250 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Sagar Mahesh Tanna and up to 511,800 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by Jyoti Subodh Sapre)
Employee Reservation Portion(3)	Up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹[●] million
Net Offer	Up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹[●] million

(1) The Offer has been authorized by a resolution of our Board dated August 14, 2024 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated September 5, 2024. Further, our Board has taken on record the consent of the Selling Shareholders for participation in the Offer for Sale pursuant to its resolution dated November 28, 2024.

(2) Each of the Selling Shareholders, severally and not jointly, confirm that their respective portion of the Offered Shares are eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. Each Selling Shareholder has, severally and not jointly, consented for the sale of its respective portion of the Offered Shares in the Offer for Sale. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 489.

(3) In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion after allocation of up to ₹0.50 million (net of Employee Discount), shall be added to the Net Offer. Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid/Offer Opening Date. For further details, see "Offer Procedure" and "Offer Structure" on pages 518 and 513, respectively.

*^ Our Company, in consultation with the BRLMs, may consider a further issue of specified securities as may be permitted under applicable law, at its discretion, aggregating up to ₹370.00 million (the "**Pre-IPO Placement**"), prior to the filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

The Offer and Net Offer shall constitute [●]% and [●]%, respectively, of the post Offer paid up Equity Share capital of our Company. For further details, see "*The Offer*" and "*Offer Structure*" beginning on pages 85 and 513, respectively.

Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

(in ₹ million)

Objects	Amount**
Prepayment of all or a portion of certain outstanding borrowings availed by our Company and our wholly owned Subsidiary, namely Vasudha Waste Treatment Private Limited	549.52
Funding our working capital requirements	906.88
General corporate purposes*^	[●]
Net Proceeds*	**[●]**

^The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

**To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

***Our Company, in consultation with the BRLMs, may consider a further issue of specified securities as may be permitted under applicable law, at its discretion, aggregating up to ₹370.00 million (the "**Pre-IPO Placement**"), prior to the filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus. Upon allotment of the specified securities issued pursuant to the Pre-IPO Placement and after compliance with requirements prescribed under the Companies Act, our Company shall utilise the proceeds from such Pre-IPO Placement towards the objects of the Offer.*

For further details, see "*Objects of the Offer*" on page 141.

Aggregate pre-Offer shareholding of our Promoters, the members of our Promoter Group (other than our Promoters) and the Selling Shareholders

The aggregate pre-Offer shareholding of our Promoters, the members of our Promoter Group (other than our Promoters), and the Selling Shareholders, as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

S. No.	Name of Shareholder	Number of Equity Shares of face value of ₹2 each held as on the date of this Draft Red Herring Prospectus	% of total pre-Offer paid up Equity Share capital	% of the post-Offer paid-up Equity Share capital#
Promoters				
1.	Sandeep Sudhakar Asolkar*	13,500,000	14.45	[●]
2.	Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar) *	18,085,470	19.36	[●]
3.	Saketchandrasingh Pratapsingh Dhandoriya*	8,434,125	9.03	[●]
	Total (A)	**40,019,595**	**42.84**	[●]
Promoter Group (excluding our Promoters)				
4.	Asolkar Tradecraft Private Limited	4,978,320	5.33	[●]
	Total (B)	**4,978,320**	**5.33**	[●]
Other Selling Shareholders				
5.	Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri)	850,875	0.91	[●]
6.	Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	5,749,350	6.15	[●]
7.	Parindu Bansilal Gogri Trust	140,445	0.15	[●]
8.	Jayshree Harit Shah (held jointly with Harit Pragji Shah)	468,750	0.50	[●]
9.	Sandeep Sambhaji Parab	4,592,715	4.92	[●]
10.	Rajesh Kesavan Nambisan	4,592,715	4.92	[●]
11.	Kumaraguru Madurakavi	4,592,715	4.92	[●]
12.	Sarvesh Kumar Garg	5,527,215	5.92	[●]
13.	Veera Venkata Satyanarayana Yannamani	2,143,860	2.30	[●]
14.	Sagar Mahesh Tanna	75,000	0.08	[●]
15.	Jyoti Subodh Sapre	3,412,005	3.65	[●]
	Total (C)	**32,145,645**	**34.41**	[●]
	Total (D = A + B + C)	**77,143,560**	**82.58**	[●]

**Also, the Promoter Selling Shareholder*

#To be updated in the Prospectus

For further details, see "*Capital Structure*" on page 103.

Summary of information derived from the Restated Consolidated Financial Information

The following information has been derived from our Restated Consolidated Financial Information for the three months periods ended June 30, 2024 and June 30, 2023, and for the Fiscals ended March 31, 2024, March 31, 2023, and March 31, 2022:

(in ₹ million, except per share data)

Particulars	As at and for the				
	Three months period ended June 30, 2024	Three months period ended June 30, 2023	Fiscal ended March 31, 2024	Fiscal ended March 31, 2023	Fiscal ended March 31, 2022
Equity Share capital	62.27	62.27	62.27	62.27	62.27
Net Worth(1)	5,267.71	3,999.65	5,342.96	3,954.16	3,288.24
Revenue from operations	940.91	705.39	6,583.92	5,196.86	4,967.34
Profit for the period / year	65.01	26.80	1,441.73	948.09	851.60
Earnings per equity share (basic)(2) (in ₹)	0.58*	0.41*	15.16	10.05	8.98
Earnings per equity share (diluted)(3) (in ₹)	0.58*	0.41*	15.16	10.05	8.98
Net Asset Value per Equity Share(4) (in ₹)	56.39	42.82	57.20	42.33	35.20

Particulars	As at and for the				
	Three months period ended June 30, 2024	Three months period ended June 30, 2023	Fiscal ended March 31, 2024	Fiscal ended March 31, 2023	Fiscal ended March 31, 2022
Total Borrowings(5)	869.22	845.33	1,306.68	464.08	379.79

**Not annualised*
Notes:
(1) Net worth shall mean the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write -back of depreciation and amalgamation.
(2) Earnings per share (basic) means Restated profit for the period / year attributable to the equity holders of our Company / weighted average number of Equity Shares outstanding during the period / year after considering sub-division of Equity Shares and bonus shares which has been issued subsequent to June 30, 2024, in accordance with Ind AS 33.
(3) Earnings per share (diluted) means Restated profit for the period / year attributable to equity holders of our Company / weighted average number of equity shares outstanding during the period / year considered for deriving basic earnings per share and the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares after considering sub-division of Equity Shares and bonus shares which has been issued subsequent to June 30, 2024. The weighted average number of Equity Shares outstanding during the period / year is adjusted for sub-division of shares and bonus issue of Equity Shares subsequent to June 30, 2024, in accordance with Ind AS 33.
(4) Net asset value per equity share is calculated as Net Worth (excluding Non-Controlling Interest) as restated / weighted average number of equity shares outstanding at the end of the period / year adjusted for the subdivision of the equity shares and issue of bonus shares, in accordance with principles of Ind AS 33.
(5) Total borrowings consists of current (including current maturities of long-term borrowings) and non-current borrowings.

For further details, see *"Restated Consolidated Financial Information"* and *"Other Financial Information"* on pages 334 and 445, respectively.

Auditor qualifications

There are no qualifications by our Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information.

Summary of outstanding litigation

A summary of outstanding litigation proceedings as on the date of this Draft Red Herring Prospectus as disclosed in the section titled "*Outstanding Litigation and Other Material Developments*" in terms of the SEBI ICDR Regulations is provided below:

Category of individuals / entities	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigation#	Aggregate amount involved* (in ₹ million)
Company						
By the Company	Nil	Nil	Nil	NA	Nil	Nil
Against the Company	Nil	8	Nil	NA	Nil	20.26
Director						
By the Directors	Nil	Nil	Nil	NA	Nil	Nil
Against the Directors	Nil	2	Nil	NA	Nil	0.30
Promoters**						
By the Promoters	Nil	Nil	Nil	NA	Nil	Nil
Against the Promoters	Nil	2	Nil	Nil	Nil	0.00^
Subsidiary						
By the Subsidiary	Nil	Nil	Nil	NA	Nil	Nil
Against the Subsidiary	Nil	5	Nil	NA	1	527.31***

 # Determined in accordance with the Materiality Policy.
** To the extent quantifiable.*
***Including the Directors who are Promoters.*
**** The amount involved in the material civil litigation involving our Subsidiary, SFC Umwelttechnik GmbH and others, is €5.6 million,*

amounting to ₹500.42 million. (For the purposes of calculation of amount in ₹ terms, the exchange rate as on November 29, 2024 has been considered. The rate of conversion of 1 Euro as on November 29, 2024 was ₹89.36 (Source: www.rbi.org.in).
^ Represents an amount less than ₹0.00 million.

Further, as on the date of this Draft Red Herring Prospectus, there are no pending litigation proceedings involving any of our Group Companies which will have a material impact on our Company. For further details, see "*Outstanding Litigation and Other Material Developments*" on page 479.

Risk factors

The following is a summary of the top 10 risk factors in relation to our Company:

1. Our revenues and operations are dependent upon technology. Failure of these technologies, failure to upgrade or innovate these technologies or failure to identify and develop new technologies could have an adverse impact on our results of operations. Our products may be displaced by newer technology and any inability or failure to adapt to technological developments, the evolving competitive landscape or industry trends could harm our business and competitiveness.
2. We derive a significant part of our revenue from our top 10 customers and we do not have long term contracts with most of these customers. If one or more of such customers choose not to source their requirements from us or to terminate our long-term contracts, our business, results of operations and financial condition may be adversely affected.
3. Our business has grown rapidly, including our revenue from operations that has grown at a CAGR of 15.13% from ₹4,967.34 million in Fiscal 2022 to ₹6,583.92 million in Fiscal 2024, and we may fail to manage our growth effectively.
4. We have working capital and capital expenditure / investment requirements, and may require additional financing to meet those requirements, which could have a material adverse effect on our results of operations, cash flows and financial condition.
5. Orders in our order book may be delayed, modified or cancelled, which may have an adverse impact on our business, results of operations and cash flows.
6. The success of our business operations is dependent on our key managerial personnel, including our senior management as well as our ability to attract, train and retain such employees. If we lose key members of our management team or are unable to attract and retain executives, key personnel and employees we need to support our operations and growth, our business and future growth prospects may be harmed.
7. Under-utilization of our manufacturing and installed waste treatment capacities, and an inability to effectively utilize our current capacities could have an adverse effect on our business, prospects and future financial performance.
8. Failure by third parties to supply, manufacture or deliver materials and components according to schedules, prices, quality, and volumes that are acceptable to us, or our inability to manage these materials and parts effectively may lead to delays in delivery of technology solutions to our customers, resulting in an adverse effect on our business, sales, and our ability to retain and expand our base of customers.
9. The SWT projects we operate have been awarded primarily through competitive bidding process and our bids may not always be accepted. We may not be able to qualify for, compete and win projects, which could adversely affect our business and results of operations. Further, our ability to negotiate the standard form of contracts for our projects may be limited and certain unusual or onerous provisions may be imposed on us, which may restrict our flexibility in undertaking our business and thereby affect the efficient execution and profitability of our projects.
10. We have had negative cash flows from operating activities in the past and may continue to have negative cash flows in the future.

Investors are advised to carefully read "*Risk Factors*" on page 44 to have an informed view before making an investment decision in the Offer.

Summary of contingent liabilities

A summary table of contingent liabilities as per Ind AS 37, as derived from the Restated Consolidated Financial Information, is set forth below:

(in ₹ million)

S. No.	Particulars	Amount				
		June 30, 2024	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
1.	Customs notice - Received for the period (Financial Year 2008-09 to Financial Year 2012-	0.21	-	0.21	-	-

	13)					
2.	GST appeal (for the outstanding liabilities filed for the Financial Year 2017-18 and 2019-20)	-	4.50	-	4.50	-

For further details, see "*Restated Consolidated Financial Information*" on page 334.

Summary of related party transactions

A summary of the related party transactions entered into by our Company with related parties as at and for the three months periods ended June 30, 2024 and June 30, 2023 and for the Financial Years ending March 31, 2024, March 31, 2023 and March 31, 2022, as per Ind AS 24 – Related Party Disclosures read with SEBI ICDR Regulations derived from the Restated Consolidated Financial Information is detailed below:

(in ₹ million)

Particulars			**As at and for the period / year ended**			
Nature of Transaction	**Name of Related Party**	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Directors Remuneration and Incentives	Sandeep Sudhakar Asolkar	8.25	8.25	33.00	32.99	34.86
Directors Remuneration and Incentives	Sarvesh Kumar Garg	2.96	2.96	11.83	11.83	11.14
Directors Remuneration and Incentives	Sandeep Sambhaji Parab	-	2.96	7.11	11.83	11.86
Directors Remuneration and Incentives	Veera Venkata Satyanarayana Yannamani	-	2.96	7.11	11.83	10.80
Directors Remuneration and Incentives	Aparna Vivek Kapoor	-	-	-	-	8.68
Salary	Shweta Deshpande	0.28	0.19	0.83	0.05	-
Salary	Prachiti Sandeep Asolkar	0.37	-	0.72	-	-
Dividend	Sandeep Sudhakar Asolkar	42.11	-	31.59	40.50	-
Dividend	Sarvesh Kumar Garg	7.37	-	5.53	-	-
Purchase of Service & Material	Crest IT Consulting Private Limited	-	-	-	-	2.46
Purchase of Assets	Crest IT Consulting Private Limited	-	-	-	-	0.04
Rent Received	Turbomax India Private Limited	0.05	0.05	0.18	0.09	-
Sales	Hindustan Waste Treatment Private Limited	-	-	-	-	174.93
Supply of Services	Hindustan Waste Treatment Private Limited	-	1.95	3.90	66.80	19.82
Interest on Loan	Hindustan Waste Treatment Private Limited	-	-	-	0.14	-
Reimbursement of Expenses	Hindustan Waste Treatment Private Limited	-	-	-	-	1.50
Sale of Fixed Asset	Turbomax India Private Limited	-	-	5.05	-	-
Sale of Fixed Asset	Hindustan Waste Treatment Private Limited	-	-	-	-	0.60
Reimbursement of Fees towards Business Support Services	Turbomax India Private Limited	-	-	-	6.09	-
Balances outstanding	Hindustan Waste Treatment Private Limited	-	4.06	-	1.51	41.78

(in ₹ million)

Particulars			As at and for the period / year ended			
Nature of Transaction	**Name of Related Party**	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
	Crest IT Consulting Private Limited	-	-	-	-	0.08
	Turbomax India Private Limited	0.26	0.05	0.21	6.19	-

The following are the details of the transactions eliminated on consolidation during the three months periods ended June 30, 2024 and June 30, 2023 and the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022, disclosed as per the SEBI ICDR Regulations, in the Restated Consolidated Financial Information:

(in ₹ million)

Particulars			As at and for the period / year ended				
Reporting Entity	**Nature of Transaction**	**Transacting Entity**	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
SFC Environmental Technologies Limited	Dividend (Income)	Chavare Engineering Private Limited	-	-	4.08	-	-
SFC Environmental Technologies Limited	Purchases of Material at Gross	Chavare Engineering Private Limited	4.26	37.04	99.17	43.71	75.12
SFC Environmental Technologies Limited	Purchases of Material at Gross	Pentagen Biofuels Private Limited	-	-	6.82	-	-
SFC Environmental Technologies Limited	Purchases of Material at Gross	Fine Aeration Systems Private Limited	11.00	0.78	229.02	-	-
SFC Environmental Technologies Limited	Services Procured (Expense)	Pentagen Biofuels Private Limited	-	-	9.75	-	-
SFC Environmental Technologies Limited	Services Procured (Expense)	Fine Aeration Systems Private Limited	-	-	0.11	-	-
SFC Environmental Technologies Limited	Purchase of Shares	Navitas Waste Treatment Private Limited	-	-	219.99	-	-
SFC Environmental Technologies Limited	Repairs & Maintenance Expenses	Chavare Engineering Private Limited	-	-	0.10	0.01	-
SFC Environmental Technologies Limited	Corporate Guarantee Commission (Income)	Chavare Engineering Private Limited	0.55	0.55	2.20	1.60	-
SFC Environmental Technologies Limited	Corporate Guarantee Commission (Income)	Pentagen Biofuels Private Limited	0.14	-	0.26	-	-
SFC Environmental Technologies Limited	Corporate Guarantee Commission (Income)	Vasudha Waste Treatment Private Limited	1.35	-	1.58	-	-
SFC Environmental Technologies Limited	Erection, Commissioning & Installation Charges	Chavare Engineering Private Limited	-	-	-	4.20	-
SFC Environmental Technologies Limited	Loan Given (Payment)	Navitas Waste Treatment Private Limited	-	-	-	13.00	170.50
SFC Environmental Technologies Limited	Loan Given (Payment)	Vasudha Waste Treatment Private Limited	32.20	48.10	83.80	138.10	313.91
SFC Environmental Technologies Limited	Loan Given (Payment)	Hindustan Waste Treatment Private Limited	-	-	90.00	-	-
SFC Environmental Technologies Limited	Loan Given (Payment)	Fine Aeration Systems Private Limited	23.50	33.50	111.78	7.00	-
SFC Environmental Technologies Limited	Loan Given (Payment)	Chavare Engineering Private Limited	-	-	80.00	-	-
SFC Environmental Technologies Limited	Loan Given (Payment)	Pentagen Biofuels Private Limited	10.24	-	17.52	-	-
SFC Environmental Technologies Limited	Repayment of Loan (Receipt)	Navitas Waste Treatment Private Limited	-	-	186.29	93.00	90.50
SFC Environmental Technologies Limited	Repayment of Loan (Receipt)	Hindustan Waste Treatment Private Limited	90.95	-	-	-	-
SFC Environmental Technologies Limited	Repayment of Loan (Receipt)	Vasudha Waste Treatment Private Limited	150.00	-	394.97	7.53	-
SFC Environmental Technologies Limited	Repayment of Loan (Receipt)	Chavare Engineering Private Limited	4.50	-	55.30	-	-

Particulars			As at and for the period / year ended				
Reporting Entity	**Nature of Transaction**	**Transacting Entity**	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
SFC Environmental Technologies Limited	Rent (Income)	Navitas Waste Treatment Private Limited	0.06	0.06	0.24	0.18	0.18
SFC Environmental Technologies Limited	Sales of Goods (Income)	Hindustan Waste Treatment Private Limited	17.28	-	40.75	-	-
SFC Environmental Technologies Limited	Sales of Goods (Income)	Vasudha Waste Treatment Private Limited	17.91	-	15.34	549.93	-
SFC Environmental Technologies Limited	Sales of Goods (Income)	Fine Aeration Systems Private Limited	11.52	20.90	97.88	0.67	-
SFC Environmental Technologies Limited	Supply of Services (Income)	Hindustan Waste Treatment Private Limited	1.95	-	3.90	-	-
SFC Environmental Technologies Limited	Supply of Services (Income)	Vasudha Waste Treatment Private Limited	0.30	0.30	1.20	-	843.85
SFC Environmental Technologies Limited	Supply of Services (Income)	Pentagen Biofuels Private Limited	-	-	3.53	-	-
SFC Environmental Technologies Limited	Sale of Fixed Assets	Vasudha Waste Treatment Private Limited	-	-	-	-	0.47
SFC Environmental Technologies Limited	Interest on Loan (Income)	Hindustan Waste Treatment Private Limited	0.09	-	1.05	-	-
SFC Environmental Technologies Limited	Interest on Loan (Income)	Vasudha Waste Treatment Private Limited	6.16	14.64	54.15	52.57	21.37
SFC Environmental Technologies Limited	Interest on Loan (Income)	Fine Aeration Systems Private Limited	3.45	0.55	5.97	0.05	-
SFC Environmental Technologies Limited	Reimbursement of Expenses	Fine Aeration Systems Private Limited	-	0.11	-	-	-
SFC Environmental Technologies Limited	Reimbursement of Expenses	Hindustan Waste Treatment Private Limited	-	-	-	-	-
SFC Environmental Technologies Limited	Reimbursement of Expenses	Vasudha Waste Treatment Private Limited	-	-	-	0.00^	-
SFC Environmental Technologies Limited	Share Capital Subscribed	Pentagen Biofuels Private Limited	2.40	8.00	17.60	-	-
SFC Environmental Technologies Limited	Share Capital Subscribed	Fine Aeration Systems Private Limited	-	-	-	0.51	-
Chavare Engineering Private Limited	Dividend (Expense)	SFC Environmental Technologies Limited	-	-	4.08	-	-
Chavare Engineering Private Limited	Sale of Material at Gross	SFC Environmental Technologies Limited	4.26	37.04	99.17	43.71	75.12
Chavare Engineering Private Limited	Sale of Material at Gross	Vasudha Waste Treatment Private Limited	0.39	-	-	-	-
Chavare Engineering Private Limited	Sale of Services	SFC Environmental Technologies Limited	-	-	0.10	4.21	-
Chavare Engineering Private Limited	Sale of Services	Chavare Engineering & Endress Plus Hauser JV	110.75	-	92.58	-	-
Chavare Engineering Private Limited	Corporate Guarantee Commission (Expense)	SFC Environmental Technologies Limited	0.55	0.55	2.20	1.60	-
Chavare Engineering Private Limited	Loan Taken (Receipt)	SFC Environmental Technologies Limited	-	-	80.00	-	-
Chavare Engineering Private Limited	Repayment of Loan (Payment)	SFC Environmental Technologies Limited	4.50	-	55.30	-	-
Chavare Engineering Private Limited	Sale of Goods	Pentagen Biofuels Private Limited	-	-	5.04	-	-
Hindustan Waste Treatment Private Limited	Purchase of Services	SFC Environmental Technologies Limited	1.95	-	3.90	-	-
Hindustan Waste Treatment Private Limited	Purchase of Material	SFC Environmental Technologies Limited	0.88	-	0.16	-	-
Hindustan Waste Treatment Private Limited	Purchase of Material	Fine Aeration Systems Private Limited	-	-	0.00^	-	-
Hindustan Waste Treatment Private Limited	Purchase of Fixed Assets	SFC Environmental Technologies Limited	16.40	-	40.59	-	-

Particulars			As at and for the period / year ended				
Reporting Entity	**Nature of Transaction**	**Transacting Entity**	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Hindustan Waste Treatment Private Limited	Interest on Loan borrowed	SFC Environmental Technologies Limited	0.09	-	1.05	-	-
Hindustan Waste Treatment Private Limited	Loan Borrowed	SFC Environmental Technologies Limited	-	-	90.00	-	-
Hindustan Waste Treatment Private Limited	Loan Repaid	SFC Environmental Technologies Limited	90.95	-	-	-	-
Vasudha Waste Treatment Private Limited	Purchase of Service & Material	SFC Environmental Technologies Limited	1.65	0.30	2.78	525.78	843.85
Vasudha Waste Treatment Private Limited	Purchase of Service & Material	Chavare Engineering Private Limited	0.39	-	-	-	-
Vasudha Waste Treatment Private Limited	Purchase of Assets	SFC Environmental Technologies Limited	17.91	-	15.34	24.15	0.47
Vasudha Waste Treatment Private Limited	Loan Borrowed	SFC Environmental Technologies Limited	32.20	48.10	83.80	138.10	313.91
Vasudha Waste Treatment Private Limited	Interest on Loan	SFC Environmental Technologies Limited	6.16	14.64	54.15	52.57	21.37
Vasudha Waste Treatment Private Limited	Loan Repaid	SFC Environmental Technologies Limited	150.00	-	394.97	7.53	-
Vasudha Waste Treatment Private Limited	Reimbursement of expenses & Purchase of goods	SFC Environmental Technologies Limited	-	-	-	0.00^	-
Navitas Waste Treatment Private Limited	Loan taken	SFC Environmental Technologies Limited	-	-	-	13.00	170.50
Navitas Waste Treatment Private Limited	Loan repaid	SFC Environmental Technologies Limited	-	-	186.29	93.00	90.50
Navitas Waste Treatment Private Limited	Rent Expense	SFC Environmental Technologies Limited	0.06	0.06	0.24	0.18	0.18
Navitas Waste Treatment Private Limited	Sale of Shares / Investment	SFC Environmental Technologies Limited	-	-	219.99	-	-
Fine Aeration Systems Private Limited	Purchase of Goods	SFC Environmental Technologies Limited	11.52	20.90	97.54	-	-
Fine Aeration Systems Private Limited	Purchase of Assets	SFC Environmental Technologies Limited	-	-	0.34	0.67	-
Fine Aeration Systems Private Limited	Sales of Goods / Services	SFC Environmental Technologies Limited	11.00	0.78	229.12	-	-
Fine Aeration Systems Private Limited	Sales of Goods/ Services	Hindustan Waste Treatment Private Limited	-	-	0.00^	-	-
Fine Aeration Systems Private Limited	Reimbursement of Expenses	SFC Environmental Technologies Limited	-	0.11	-	-	-
Fine Aeration Systems Private Limited	Loan Taken	SFC Environmental Technologies Limited	23.50	33.50	111.78	7.00	-
Fine Aeration Systems Private Limited	Interest on Loan Paid	SFC Environmental Technologies Limited	3.45	0.55	5.97	0.05	-
Fine Aeration Systems Private Limited	Share capital issued	SFC Environmental Technologies Limited	-	-	-	0.51	-
Pentagen Biofuels Private Limited	Sale of Goods	SFC Environmental Technologies Limited	-	-	6.82	-	-
Pentagen Biofuels Private Limited	Sale of Services	SFC Environmental Technologies Limited	-	-	9.75	-	-
Pentagen Biofuels Private Limited	Purchase of Goods	Chavare Engineering Private Limited	-	-	5.04	-	-
Pentagen Biofuels Private Limited	Purchase of Services	SFC Environmental Technologies Limited	0.14	-	3.78	-	-

Particulars			As at and for the period / year ended				
Reporting Entity	**Nature of Transaction**	**Transacting Entity**	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Pentagen Biofuels Private Limited	Loan Taken	SFC Environmental Technologies Limited	10.24	-	17.52	-	-
Pentagen Biofuels Private Limited	Share Capital Issued	SFC Environmental Technologies Limited	2.40	8.00	17.60	-	-
Chavare Engineering & Endress Plus Hauser JV	Purchase of Services	Chavare Engineering Private Limited	110.75	-	92.58	-	-
SFC Umwelttechnik GmbH	Purchase of Goods	SFC Ekotechnika S.r.o	1.65	-	-	-	-
SFC Ekotechnika S.r.o	Sale of Goods	SFC Umwelttechnik GmbH	1.65	-	-	-	-
SFC Environmental Technologies Limited	Balances	Chavare Engineering Private Limited	1.59	31.82	15.89	18.35	8.41
SFC Environmental Technologies Limited	Balances	Hindustan Waste Treatment Private Limited	78.79	-	56.46	-	-
SFC Environmental Technologies Limited	Balances	Vasudha Waste Treatment Private Limited	25.86	157.74	3.08	187.44	-
SFC Environmental Technologies Limited	Balances	Navitas Waste Treatment Private Limited	0.56	0.06	0.50	-	-
SFC Environmental Technologies Limited	Balances	Fine Aeration Systems Private Limited	70.97	13.45	15.22	0.80	-
SFC Environmental Technologies Limited	Balances	Pentagen Biofuels Private Limited	4.23	-	1.33	-	-
SFC Environmental Technologies Limited	Balances	Chavare Engineering Private Limited - Loan Account	20.20	-	24.70	-	-
SFC Environmental Technologies Limited	Balances	Navitas Waste Treatment Private Limited - Loan Account	-	221.57	-	221.57	301.57
SFC Environmental Technologies Limited	Balances	Hindustan Waste Treatment Private Limited - Loan Account	0.09	-	90.95	-	-
SFC Environmental Technologies Limited	Balances	Vasudha Waste Treatment Private Limited - Loan Account	258.26	680.43	369.89	632.33	454.44
SFC Environmental Technologies Limited	Balances	Fine Aeration Systems Private Limited - Loan Account	147.70	41.10	124.20	7.04	-
SFC Environmental Technologies Limited	Balances	Pentagen Biofuels Private Limited - Loan Account	21.97	-	17.52	-	-
Chavare Engineering Private Limited	Balances	SFC Environmental Technologies Private Limited	1.59	31.82	15.89	18.35	8.41
Chavare Engineering Private Limited	Balances	Chavare Engineering & Endress Plus Hauser JV	66.84	18.83	23.22	-	-
Chavare Engineering Private Limited	Balances	Vasudha Waste Treatment Private Limited	0.46	-	-	-	-
Chavare Engineering Private Limited	Balances	SFC Environmental Technologies Private Limited - Loan	20.20	-	24.70	-	-
Hindustan Waste Treatment Private Limited	Balances	SFC Environmental Technologies Private Limited - Loan	0.09	-	90.95	-	-
Hindustan Waste Treatment Private Limited	Balances	SFC Environmental Technologies Private Limited	78.79	-	56.46	-	-
Vasudha Waste Treatment Private Limited	Balances	SFC Environmental Technologies Private Limited - Loan	258.26	680.43	369.89	632.33	454.44
Vasudha Waste Treatment Private Limited	Balances	SFC Environmental Technologies Private Limited	25.86	157.74	3.08	187.44	-

Particulars			As at and for the period / year ended				
Reporting Entity	**Nature of Transaction**	**Transacting Entity**	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Vasudha Waste Treatment Private Limited	Balances	Chavare Engineering Private Limited	0.46	-	-	-	-
Navitas Waste Treatment Private Limited	Balances	SFC Environmental Technologies Private Limited - Loan	-	221.57	-	221.57	301.57
Navitas Waste Treatment Private Limited	Balances	SFC Environmental Technologies Private Limited	0.56	0.06	0.50	-	-
Fine Aeration Systems Private Limited	Balances	SFC Environmental Technologies Private Limited - Loan	147.70	41.10	124.20	7.04	-
Fine Aeration Systems Private Limited	Balances	SFC Environmental Technologies Private Limited	70.97	13.45	15.22	0.80	-
Pentagen Biofuels Private Limited	Balances	SFC Environmental Technologies Private Limited - Loan	21.97	-	17.52	-	-
Pentagen Biofuels Private Limited	Balances	SFC Environmental Technologies Private Limited	4.23	-	1.33	-	-
Chavare Engineering & Endress Plus Hauser JV	Balances	Chavare Engineering Private Limited	66.84	18.83	23.22	-	-
SFC Umwelttechnik GmbH	Balances	SFC Ekotechnika S.r.o	1.20	1.58	9.07	0.61	-
SFC Ekotechnika S.r.o	Balances	SFC Umwelttechnik GmbH	1.20	1.58	9.07	0.61	-

^*Represents value less than ₹0.01 million*

For further details, see *"Restated Consolidated Financial Information – Note 52 – Related Party Disclosures"* on page 408.

Financing arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives (as defined in Companies Act, 2013) have financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average price at which Equity Shares were acquired by our Promoters and the Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus

The weighted average price at which Equity Shares were acquired by our Promoters and the Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus, is set forth below:

S. No.	Name	Number of Equity Shares of face value of ₹2 each acquired in the last one year preceding the date of this Draft Red Herring Prospectus	Weighted average price of acquisition per Equity Share (in ₹)*
Promoters			
1.	Sandeep Sudhakar Asolkar#	9,000,000	Nil**
2.	Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)#	12,056,980	Nil**
3.	Saketchandrasingh Pratapsingh Dhandoriya#	5,622,750	Nil**
Selling Shareholders (other than the Promoter Selling Shareholders)			
1.	Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri)	617,250	18.23
2.	Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	3,960,400	7.24
3.	Parindu Bansilal Gogri Trust	93,630	Nil**
4.	Jayshree Harit Shah (held jointly with Harit	337,500	16.67

S. No.	Name	Number of Equity Shares of face value of ₹2 each acquired in the last one year preceding the date of this Draft Red Herring Prospectus	Weighted average price of acquisition per Equity Share (in ₹)*
	Pragji Shah)		
5.	Sandeep Sambhaji Parab	3,061,810	Nil**
6.	Rajesh Kesavan Nambisan	3,061,810	Nil**
7.	Kumaraguru Madurakavi	3,061,810	Nil**
8.	Sarvesh Kumar Garg	3,684,810	Nil**
9.	Veera Venkata Satyanarayana Yannamani	1,429,240	Nil**
10.	Sagar Mahesh Tanna	50,000	Nil**
11.	Jyoti Subodh Sapre	2,274,670	Nil**

**As certified by M. I. Shah and Co., Chartered Accountants, pursuant to their certificate dated December 2, 2024.*
#Also, the Promoter Selling Shareholder.
***No consideration has been paid as the same is acquired by way of gift or bonus shares.*
Notes:
(1) Pursuant to a resolution of our Board passed in their meeting held on August 14, 2024 and a resolution of our Shareholders passed in their annual general meeting held on September 5, 2024, each fully paid - up equity share of our Company of face value ₹10 was subdivided into 5 Equity Shares of ₹2 each. The impact of the subdivision has been considered in the calculation of number of Equity Shares and in the acquisition price per Equity Share.

Weighted average cost of acquisition of all shares transacted in the one year, 18 months and three years preceding the date of this Draft Red Herring Prospectus:

Period	Weighted average cost of acquisition per Equity Share (in ₹)^	Cap Price is 'x' times the weighted average cost of acquisition*	Range of acquisition price per Equity Share: lowest price – highest price (in ₹)^#
Last one year preceding the date of this Draft Red Herring Prospectus	9.43	[●]	Nil - 376.60
Last 18 months preceding the date of this Draft Red Herring Prospectus	41.75	[●]	Nil - 376.60
Last three years preceding the date of this Draft Red Herring Prospectus	41.75	[●]	Nil - 376.60

^ As certified by M. I. Shah and Co., Chartered Accountants by way of their certificate dated December 2, 2024.
**To be updated in the Prospectus.*
#Pursuant to a resolution of our Board passed in their meeting held on August 14, 2024 and a resolution of our Shareholders passed in their annual general meeting held on September 5, 2024, each fully paid - up equity share of our Company of face value ₹10 was subdivided into 5 Equity Shares of ₹2 each. The impact of the subdivision has been considered in the calculation weighted average cost of acquisition per Equity Share and range of acquisition price.

Details of the price at which Equity Shares were acquired in the three years preceding the date of this Draft Red Herring Prospectus

The details of the price at which Equity Shares were acquired in the three years preceding the date of this Draft Red Herring Prospectus, by our Promoters, Promoter Group, Selling Shareholders and the shareholders entitled with right to nominate directors or any other rights, are disclosed below:

S. No.	Name of the acquirer / shareholder	Date of acquisition of Equity Shares	Number of Equity Shares of face value of ₹2 each#	Average cost of acquisition per Equity Share (in ₹)*#**
Promoters				
1.	Sandeep Sudhakar Asolkar^	September 5, 2024	9,000,000	Nil
2.	Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar) ^	July 24, 2023	6,028,490	110.17
		September 5, 2024	12,056,980	Nil
3.	Saketchandrasingh Pratapsingh Dhandoriya^	July 24, 2023	2,811,375	110.17
		September 5, 2024	5,622,750	Nil
Promoter Group				
1.	Asolkar Tradecraft Private Limited	April 30, 2024	1,659,440	225.00
		September 5, 2024	3,318,880	Nil
Selling Shareholders ***(other than the Promoter Selling Shareholders)***				
1.		July 24, 2023	233,625	110.17

S. No.	Name of the acquirer / shareholder	Date of acquisition of Equity Shares	Number of Equity Shares of face value of ₹2 each#	Average cost of acquisition per Equity Share (in ₹)*#**
	Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri)	April 10, 2024	10,000	225.00
		April 12, 2024	10,000	225.00
		July 19, 2024	30,000	225.00
		September 5, 2024	567,250	Nil
2.	Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	July 24, 2023	1,105,600	110.17
		October 6, 2023	14,750	215.20
		October 6, 2023	42,200	215.20
		October 11, 2023	31,600	215.20
		October 11, 2023	31,600	215.20
		October 17, 2023	31,600	215.20
		October 26, 2023	31,600	215.20
		November 21, 2023	500,000	225.00
		March 26, 2024	90,000	225.00
		April 10, 2024	37,500	225.00
		September 5, 2024	3,832,900	Nil
3.	Parindu Bansilal Gogri Trust	July 24, 2023	46,815	110.17
		September 5, 2024	93,630	Nil
4.	Jayshree Harit Shah (held jointly with Harit Pragji Shah)	July 24, 2023	131,250	110.17
		February 21, 2024	25,000	225.00
		September 5, 2024	312,500	Nil
5.	Sandeep Sambhaji Parab	July 24, 2023	1,874,005	110.17
		September 5, 2024	3,061,810	Nil
6.	Rajesh Kesavan Nambisan	July 24, 2023	1,874,005	110.17
		September 5, 2024	3,061,810	Nil
7.	Kumaraguru Madurakavi	July 24, 2023	1,874,005	110.17
		September 5, 2024	3,061,810	Nil
8.	Sarvesh Kumar Garg	July 24, 2023	1,874,005	110.17
		September 5, 2024	3,684,810	Nil
9.	Veera Venkata Satyanarayana Yannamani	July 24, 2023	874,870	110.17
		September 5, 2024	1,429,240	Nil
10.	Sagar Mahesh Tanna	July 24, 2023	8,750	110.17
		October 6, 2023	6,250	215.20
		November 7, 2023	10,000	225.00
		September 5, 2024	50,000	Nil
11.	Jyoti Subodh Sapre	July 24, 2023	1,137,335	110.17
		September 5, 2024	2,274,670	Nil

** As certified by M. I. Shah and Co., Chartered Accountants by way of their certificate dated December 2, 2024.*
^Also, the Promoter Selling Shareholders.
#Pursuant to a resolution of our Board passed in their meeting held on August 14, 2024 and a resolution of our Shareholders passed in their annual general meeting held on September 5, 2024, each fully paid - up equity share of our Company of face value ₹10 was subdivided into 5 Equity Shares of ₹2 each. The impact of the subdivision has been considered in the calculation of number of Equity Shares and in the average cost of acquisition price per Equity Share.
***No consideration has been paid as the same is acquired by way of gift or bonus shares.*

None of our Shareholders have the right to nominate directors or other special rights.

Average cost of acquisition of Equity Shares of our Promoters and the Selling Shareholders

The average cost of acquisition of Equity Shares by our Promoters and the Selling Shareholders as on the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name	Number of Equity Shares of face value of ₹2 each	Average cost of acquisition per Equity Share (in ₹)*
Promoters			
1.	Sandeep Sudhakar Asolkar#	13,500,000	0.44
2.	Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)#	18,085,470	36.72
3.	Saketchandrasingh Pratapsingh Dhandoriya#	8,434,125	36.72
Other Selling Shareholders (other than the Promoter Selling Shareholders)			
1.	Chandrakant Vallabhaji Gogri (held jointly with Jaya	850,875	43.47

S. No.	Name	Number of Equity Shares of face value of ₹2 each	Average cost of acquisition per Equity Share (in ₹)*
	Chandrakant Gogri)		
2.	Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	5,749,350	52.61
3.	Parindu Bansilal Gogri Trust	140,445	36.72
4.	Jayshree Harit Shah (held jointly with Harit Pragji Shah)	468,750	42.85
5.	Sandeep Sambhaji Parab	4,592,715	36.72
6.	Rajesh Kesavan Nambisan	4,592,715	36.72
7.	Kumaraguru Madurakavi	4,592,715	36.72
8.	Sarvesh Kumar Garg	5,527,215	36.72
9.	Veera Venkata Satyanarayana Yannamani	2,143,860	36.72
10.	Sagar Mahesh Tanna	75,000	60.79
11.	Jyoti Subodh Sapre	3,412,005	36.72

* *As certified by M. I. Shah and Co., Chartered Accountants, pursuant to their certificate dated December 2, 2024.*

\# *Also, the Promoter Selling Shareholder.*

Notes:

(1) Pursuant to a resolution of our Board passed in their meeting held on August 14, 2024 and a resolution of our Shareholders passed in their annual general meeting held on September 5, 2024, each fully paid - up equity share of our Company of face value ₹10 was subdivided into 5 Equity Shares of ₹2 each. The impact of the subdivision has been considered in the calculation of number of Equity Shares and in the average cost of acquisition price per Equity Share.

For further details of the average cost of acquisition of our Promoters, see "*Capital Structure – Build-up of the Promoters, members of Promoter Group and Selling Shareholders shareholding in our Company*" on page 126.

Details of Pre-IPO placement

Our Company, in consultation with the BRLMs, may consider a further issue of specified securities as may be permitted under applicable law, at its discretion, aggregating up to ₹370.00 million (the "**Pre-IPO Placement**"), prior to the filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

Issue of Equity Shares for consideration other than cash including through bonus issuance in the last one year

Except as disclosed in "*Capital Structure - Shares issued for consideration other than cash or out of revaluation reserves or by way of a bonus issue*", our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

Split or consolidation of Equity Shares in the last one year

Except as disclosed below, our Company has not undertaken a split or consolidation of its Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus:

Date of Shareholder's resolution	Particulars
September 5, 2024	Our Company sub-divided the face value of its equity shares from ₹10 each into Equity Shares of ₹2 each. Accordingly, subsequent to such sub-division, 17,400,000 equity shares of ₹10 each were sub-divided into 87,000,000 Equity Shares of face value of ₹2 each. Subsequently, the authorized share capital of our Company increased from the existing ₹174,000,000 divided into 87,000,000 Equity Shares of face value of ₹2 each to ₹250,000,000 divided into 125,000,000 Equity Shares of face value of ₹2 each

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not applied for an exemption from complying with any provisions of securities laws by SEBI, as on the date of this Draft Red Herring Prospectus.

SECTION III – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also have an adverse effect on our business. If any or a combination of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occurs, our business, financial condition, results of operations and cash flows could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment.

The financial and other related implications of the risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the effect is not quantifiable and hence have not been disclosed in the applicable risk factors. Prospective investors should read this section together with "Our Business", "Industry Overview" and "Management's Discussions and Analysis of Financial Condition and Results of Operations" on pages 253, 181 and 447, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors are required to rely on their own examination of us and the terms of the Offer, including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares. Potential investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to legal and regulatory environment which may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties where actual results could materially differ from those anticipated in these forward-looking statements. For further details, see "Forward-Looking Statements" on page 27.

Unless the context requires otherwise, the financial information used in this section is derived from our Restated Consolidated Financial Information on page 334. Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year.

*The industry information contained in this section is derived from the industry report titled "Industry Report on Indian STP, MSW Management, and Biogas Market" dated November 30, 2024, which is exclusively prepared for the purposes of the Offer and issued by Frost & Sullivan and is commissioned and paid for by our Company ("**F&S Report**"). Frost & Sullivan was appointed on pursuant to engagement letter dated February 28, 2024. We commissioned and paid for the F&S Report for the purposes of confirming our understanding of the industry specifically for the purposes of the Offer. The F&S Report is available on the website of our Company at https://sfcenvironment.com/investors/financial-highlights/industry-report. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year. The data included herein includes excerpts from the F&S Report which may have been re-arranged by us for the purposes of presentation. Frost and Sullivan is not, and has not in the past, been engaged or interested in the formation, or promotion, or management of our Company. Further, it is an independent agency and neither our Company, nor our Promoters, Directors, Key Managerial Personnel, Senior Management, Promoters and Subsidiaries, nor the BRLMs are a related party to Frost and Sullivan as per the definition of "related party" under the Companies Act, 2013 and the SEBI Listing Regulations. For details, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 24.*

Internal Risk Factors

1. ***Our revenues and operations are dependent upon technology. Failure of these technologies, failure to upgrade or innovate these technologies or failure to identify and develop new technologies could have an adverse impact on our results of operations. Our products may be displaced by newer technology and any inability or failure to adapt to technological developments, the evolving competitive landscape or industry trends could harm our business and competitiveness.***

As part of our wastewater treatment portfolio, we provide the C-Tech technology package, which is a sequencing batch reactor ("**SBR**") technology, and as part of our solid waste treatment portfolio, we offer the OREX technology. While we have not experienced any technological disruption in the past with respect to the technologies we offer, there can be no assurance that technological changes in the future shall not displace our current business offerings. Third parties may succeed in developing or marketing technologies and products that are more effective than those developed or marketed by us, or that would make our technology obsolete or non-competitive. Accordingly, our success will depend, in part, on our ability to respond quickly to technological changes. We may not have the resources to do this. Failure to conduct research and development, innovate and focus on new technologies that provide superior alternatives to traditional / existing environmental technologies and service offerings may negatively impact our financial results. For example, as per the F&S Report, SBR is a key wastewater treatment technology in India, representing about 28% to 30% of installed capacity for municipal and industrial plants. In case the adoption of the SBR technology in the relevant market does not increase, or is replaced by alternate technologies, it will have an adverse impact of our growth prospects.

Our technology systems are critical to our operations. Malfunctions of these technologies which are mechanical in nature, including disruptions due to wear and tear, natural or man-made disasters (e.g. terrorism or cyber intrusion) or equipment failure, could interrupt operations, create incremental operational and safety risks or negatively impact our service to our customers and our business reputation. System failures could also impede our ability to collect and report operational data timely or comply with regulations associated with our operations.

The identification of new and emerging technologies may be a risk and an opportunity to our business. Research and development of new technologies may require significant spending which may negatively impact our operating results and cash flows. Failure to innovate and focus on new technologies that provide superior alternatives to traditional / existing environmental technologies and service offerings may negatively impact our financial results and could have an adverse impact on our results of operations.

2. ***We derive a significant part of our revenue from our top 10 customers and we do not have long term contracts with most of these customers. If one or more of such customers choose not to source their requirements from us or to terminate our long-term contracts, our business, results of operations and financial condition may be adversely affected.***

We currently generate a significant portion of our revenues from our top 10 customers. The following table sets out our revenue from our top 10 customers for the three months ended June 30, 2024, and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, including as a percentage of revenue from operations for the respective fiscals:

Particulars	Three months ended June 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ millions)	% of revenue from operations	Revenue (in ₹ millions)	% of revenue from operations	Revenue (in ₹ millions)	% of revenue from operations	Revenue (in ₹ millions)	% of revenue from operations
Top 10 customers	591.88	62.91%	3,891.10	59.10%	3,045.14	58.60%	3,126.94	62.95%

Note: The top 10 customers of our Company in the last Fiscal include Goa Waste Management Corporation, GVPR Engineers Limited, Vishvaraj Environment Private Limited , Enviro Control Private Limited, SMC Infrastructures Private Limited, HNB Engineers Private Limited, Khilari Infrastructure Private Limited, Rajkamal Builders Infrastructure Private Limited, Gharpure Engineering & Constructions Private Limited and R.K. Engineers Sales Limited. These customers may not be our top 10 customers in each of the abovementioned Fiscals.

The top 10 customers of our Company vary each fiscal depending upon the contracts and their realisation during each fiscal. Our top customer for the three months ended June 30, 2024, and Fiscals 2024, 2023 and 2022 contributed 16.74%, 10.75%, 15.80% and 17.53% to our revenue from operations, respectively. Our customers are a mix of private and governmental enterprises. In the WWT segment, our target customers are EPC companies who bid for STP projects, serving ultimately municipalities and government agencies that award these projects, whereas in the SWT segment, we are operating two SWT projects in Goa for the Goa Waste Management Corporation, a Government of Goa undertaking. We expect that we will continue to be reliant on our major customers for the foreseeable future. Accordingly, any failure to retain these customers and/or negotiate and execute contracts on terms that are commercially viable, with these select customers, could adversely affect our business, results of operations and financial condition. In addition, any defaults or delays in payments by a major customer or the insolvency or financial distress by a major customer may have an adverse effect on business, results of operations and financial condition.

In our WWT segment, we usually do not enter into long-term contracts with our customers and conduct our operations by way of purchase orders or letters of intent of varying durations with customers. These purchase orders or letters of intent with customers generally can be terminated by our customers with or without notice. Accordingly, the termination could adversely affect our business, results of operations and financial condition.

Cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our inventories of raw materials and of manufactured technology products, thereby increasing our costs relating to maintaining our inventory and reducing our margins, which may adversely affect our profitability and liquidity.

Additionally, any failure to meet our customers' expectations or requirements could result in the cancellation or non-renewal of contracts or purchase orders. There are also a number of factors, other than our performance that could cause the loss of a customer. Customers may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, or replace their existing products with alternative products, any of which may have an adverse effect on our business, results of operations and financial condition.

3. Our business has grown rapidly, including our revenue from operations that has grown at a CAGR of 15.13% from ₹4,967.34 million in Fiscal 2022 to ₹6,583.92 million in Fiscal 2024, and we may fail to manage our growth effectively.

We have experienced rapid growth in our business. Our revenue from operations has grown at a CAGR of 15.13%, from ₹4,967.34 million in Fiscal 2022 to ₹6,583.92 million in Fiscal 2024. Our revenue from operations was ₹940.91 million for the three months ended June 30, 2024 and ₹705.39 million for the three months ended June 30, 2023. This rapid growth places a significant strain on our existing financial resources. Continued growth could also strain our ability to maintain reliable service levels for our clients. If we do not manage our growth effectively, increases in our operating expenses and capital investments / expenditures could outpace any increases in our revenue, which could have a material adverse effect on our results of operations and cash flows.

Further, our historical growth rates may not be indicative of future growth, and we cannot assure you that we will be able to maintain our past growth rate or secure as many customers as we have in the past. The market for our technology products and services may not continue to grow at the rate we expect or at all, and our client base may decline because of increased competition in the sector. An inability to effectively manage our growth and expansion may have a material adverse effect on our business prospects and future financial performance. However, there can be no assurance that our growth strategy will be successful or that we will be able to continue to expand further, or at the same rate. The success of our business will depend greatly on our ability to effectively implement our business and growth strategy, which will be subject to a range of factors, including our ability to identify market opportunities, compete with existing companies in our markets, hire and train qualified personnel, add new strategic partners, develop or acquire new technology, the continued growth in demand for environmental technology services and changes in regulatory environment. Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategy.

Additionally, we may face increased risks when we enter new service areas or enter new markets internationally. We may find it difficult to hire, train and retain qualified employees in the new service areas / regions, and may experience high set-up costs and dedication of substantial time and efforts of our management towards such objectives, which may not necessarily translate into growth levels at par with our existing business portfolio. As part of our expansion strategy, we may look to extend our presence internationally. Expansion into new geographic regions subjects us to various challenges, including those relating to our lack of familiarity with the culture and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including compliance with a wide range of laws, regulations and practices, including uncertainties associated with changes in laws, regulations and practices and their interpretation; exposure to expropriation or other government actions; and political, economic and social instability.

Our business growth could strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management systems on a timely basis and to expand, train, motivate and manage our personnel. There can be no assurance that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Our inability to manage our business and implement our growth strategy could have a material adverse effect on our business, financial condition and profitability.

4. ***We have working capital and capital expenditure / investment requirements, and may require additional financing to meet those requirements, which could have a material adverse effect on our results of operations, cash flows and financial condition.***

We are required to maintain a high level of working capital for our business operations, primarily for funding our purchase of raw materials. Accordingly, our Company has substantial capital expenditure and working capital requirements. The SWT industry is capital-intensive in nature. The agreements entered into with our customers in the SWT segment required an investment of up to 25% of the project cost in the form of equity, which is being repaid over several years after commissioning. In addition, we are also required to provide performance bank guarantee amounting up to 10% of the project cost which is released after issuance of completion certificate or other agreed milestone. The actual amount and timing of our future investments or capital expenditure or working capital requirements may differ from estimates due to, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, design changes, technological changes, additional market developments and new opportunities in the industry.

As we pursue our growth plan, we expect that we will have to raise additional funds by incurring further indebtedness or issuing additional equity to meet our investment or capital expenditures or working capital needs in the future. Our sources of additional financing, in the event that we need to draw on them to meet our working capital or capital expenditure needs, may include the incurrence of debt, the issue of equity or debt securities or a combination of both. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to raise additional funds through the incurrence of debt or issuance of debt securities or a combination of both, our interest and debt repayment obligations will increase, which could have a significant effect on our profitability and cash flows. If we do incur debt in the future, our interest and debt repayment obligations will increase, which may adversely affect our profitability and cash flows. We may also become subject to restrictive covenants in our financing agreements, which could limit our ability to access cash flows from operations and undertake certain types of transactions. Any issuance of equity to raise additional funds, on the other hand, would result in a dilution of the ownership of existing shareholders and our earnings per Equity Share. The table below provides details of our working capital borrowings:

Working capital loans as on	Particulars	Details
June 30, 2024	Outstanding Amount (in ₹ million)	115.59
	Percentage of Total Borrowings (%)	57.15%
March 31, 2024	Outstanding Amount (in ₹ million)	671.41
	Percentage of Total Borrowings (%)	88.15%
March 31, 2023	Outstanding Amount (in ₹ million)	457.88
	Percentage of Total Borrowings (%)	100.00%
March 31, 2022	Outstanding Amount (in ₹ million)	209.91
	Percentage of Total Borrowings (%)	100.00%

Note: Based on audited standalone financials of our Company.

We typically rely on internal accruals as well as credit facilities with banks to fund our working capital requirements. The table below sets forth details of certain parameters (basis the audited standalone financials of our Company) as of the dates indicated:

Particulars	As of June 30, 2024	As of March 31,		
		2024	2023	2022
Inventory (in ₹ million)	584.69	568.34	419.90	207.64
Trade Receivables (in ₹ million)	1,653.10	2,812.78	1,777.18	1,116.07
Trade Payables (in ₹ million)	547.77	973.39	846.25	629.14
Inventory days(1) (4)	220	78	67	34
Trade receivable days(2) (4)	297	197	158	105
Trade payable days(3) (4)	206	134	135	102
Cash conversion cycle (in days) (4)	311	141	90	37

(1) Inventory days is calculated as inventory at the period end multiplied by 365 divided by Cost of Goods sold during the period.

(2) Trade receivables days is derived as trade receivables at the period end multiplied by 365 divided by revenue from operations.

(3) Trade payable days is derived as trade payable at the period end multiplied by 365 divided by Cost of Goods sold during the period.

(4) Three months period ended is annualised and calculated as 365/4.

The working capital requirement of the Company was ₹3,083.33 million, ₹3,543.93 million, ₹1,248.76 million and ₹669.49 million for the three months ended June 30, 2024, and for the Fiscals 2024, 2023, and 2022 respectively. The working capital as a percentage of total revenue from operations was 67.90%, 30.33% and 17.21% for Fiscals 2024, 2023, and 2022 respectively. Our working capital requirements may increase if the payment terms in our agreements with our clients include reduced advance payments or longer payment schedules. For further details, see *"Objects of the Offer"* on page 141. These factors may result in increases in the amount of our receivables and short-term borrowings. Continued increases in our working capital requirements or our inability to obtain financing at favourable terms, or at all may have a material adverse effect on our financial condition, results of operations and cash flows. We cannot assure you that we will be able to obtain financing at favourable terms in future. Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows and our capacity to service debt in a rising interest rate environment.

5. Orders in our order book may be delayed, modified or cancelled, which may have an adverse impact on our business, results of operations and cash flows.

Our past as well as our existing order book in the waste water treatment segment and our growth rate may not be indicative of the number of orders we will receive or our growth in the future. As of September 30, 2024, we had an order book in the waste water treatment segment of ₹6,314.90 million and comprised of 222 ongoing and upcoming projects. We prepare our order book for the WWT segment on the basis of anticipated revenue of WWT business from the unexecuted portions of existing contracts / orders as well as from the new orders. Our order book for the WWT segment was ₹6,608.76 million as of June 30, 2024, ₹6,564.47 million as of March 31, 2024, ₹5,574.20 million as of March 31, 2023 and ₹5,280.90 million as of March 31, 2022. Our WWT order book to revenue from operations (WWT segment) ratio was 124.96% as of March 31, 2024, 147.71% as of March 31, 2023 and 171.00% as of March 31, 2022. For further details, see "*Our Business – Competitive Strengths – High proportion of repeat business with strong order book*" on page 265. Our order book may be materially impacted if the time taken or amount payable for completion of any ongoing order of our Company changes. The growth of our order book is a cumulative indication of the revenues that we expect to recognize in future periods with respect to our existing contracts. In addition, the actual revenue from operations may vary substantially from the projected value of our order book due to modification and/or cancellation of the projects which have been awarded to us, pursuant to the contractual arrangement with our customers.

Furthermore, we cannot guarantee that the income anticipated in our order book will be realized, or, if realized, will be realized on time or result in profits. Our past as well as our existing order book and our growth rate may not be indicative of the number of orders we will receive or our growth in the future. Our order book only represents business that is confirmed by way of executed letters of acceptance, agreements or purchase orders, although this is subject to, among other things, cancellation or early termination due to any breach of our contractual obligations, our inability to deliver products within the stipulated time or failure to supply products as per the specifications that have been agreed upon, failure to maintain any license or the suspension or revocation of license, non-payment by our customers, delays in the initiation of our production, unanticipated variations or adjustments in the scope and schedule of our obligations for reasons outside our and our customers' control or change in budget appropriations. Accordingly, we cannot predict with certainty the extent to which an order forming part of our order book will be performed. In Fiscal 2022, we have experienced cancellation of a project due to abandonment of the project by a contractor, and there can be no assurance that orders will not be cancelled or terminated prematurely in the future, and we will receive any applicable termination payments in time or at all or that the amount paid will be adequate to enable us to recover its investments in respect of the prematurely cancelled order. In such events, we may have to bear the actual costs for such production incurred by us which may exceed the agreed work, as a result of which our future earnings maybe lower from the amount of the order book and if any of the forgoing risks materialize, our cash flow position, revenues and earnings may be adversely affected.

For some of the contracts in our order book, our customers are obliged to perform or take certain actions before they can install our technology at their facility. If customers do not perform these and other actions in a timely manner or at all, they could delay collection of finished products from our facilities which could result in a delay in collecting receivables by us and could materially affect our revenues. In addition, if these circumstances have not been addressed in our contracts with customers, our sales / projects could be delayed, modified or cancelled and as a result, our business, results of operations and financial condition could be materially and adversely affected.

6. ***The success of our business operations is dependent on our key managerial personnel, including our senior management as well as our ability to attract, train and retain such employees. If we lose key members of our management team or are unable to attract and retain executives, key personnel and employees we need to support our operations and growth, our business and future growth prospects may be harmed.***

Our future success is substantially dependent on the continued services and contributions of our senior management and key managerial personnel, including Sandeep Sudhakar Asolkar, our Chairman and Managing Director. The loss of the services of any of our senior management or other key employees could harm our business. Our future success also depends on our ability to continue to attract, retain and motivate highly skilled employees. The inputs and experience of our key managerial personnel and senior management, in particular, and other key personnel are valuable for the development of our business and operations and the strategic directions taken by us. For further information on our key managerial personnel and Directors, see "*Our Management*" on page 301.

Our ability to sustain our growth depends upon our ability to attract and retain key personnel, developing managerial experience to address emerging business and operating challenges and ensuring a high standard of customer service. We cannot assure you that these individuals or any other member of our key managerial personnel will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. In addition, we may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an adverse effect on our business, results of operations, financial condition and cash flows. As on date, our Company does not have a business succession policy in place, and there can be no assurance that we will be able to effectively formulate or implement appropriate succession plans in the future. Any loss of members of our senior management team or key personnel could significantly delay or prevent the achievement of our business objectives, affect our succession planning and could harm our business and customer relationships.

We may also face attrition of our existing workforce as a result of increased competition or other factors relating to our businesses. If we cannot hire additional qualified personnel or retain them, our ability to expand our business will be impaired and our revenue could decline. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources and impose significant costs on us.

7. ***Under-utilization of our manufacturing and installed waste treatment capacities, and an inability to effectively utilize our current capacities could have an adverse effect on our business, prospects and future financial performance.***

Our existing manufacturing plants in Maharashtra, India with respect to our wastewater treatment operations and our solid waste treatment plants in Goa, India are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence, labour disputes, natural disasters, industrial accidents and the need to comply with the regulatory requirements.

With respect to our wastewater treatment operations, we commenced our decanter manufacturing with Phase I of our Pune decanter unit situated at PAP G/8/7, Chakan Industrial Area, Phase-III, Village - Kuruli, Chakan – 410501 Maharashtra, India (Unit - I). Subsequently, to meet our increasing production requirements, we shifted to a larger facility at Phase II of our Pune decanter unit situated at PAP-S-79, Chakan Industrial Area Phase-II, Air Liquide Chowk, Village: Savardari, Chakan - 410501 Maharashtra, India. Set forth below are the capacity and capacity utilisation details with respect to our manufacturing units for the last three Fiscals and the three months period ended June 30, 2024:

Decanter – Unit I

Product	Unit of measurement	Period	Particulars	Details
Moving arm Decanter	Meters	Three months ended June 30, 2024$	Installed capacity as on June 30, 2024	90 meters / month
			Actual production in the three months ended June 30, 2024	*(Refer $ note below)*

Product	Unit of measurement	Period	Particulars	Details
			Capacity utilisation (%)	*(Refer $ note below)*
		FY 2024@$	Installed capacity as on December 15, 2023	90 meters / month
			Actual production in Fiscal 2024	498.20 meters
			Capacity utilisation (%)	69.19%
		FY 2023#	Installed capacity as on March 31, 2023	90 meters / month
			Actual production in Fiscal 2023	372.80 meters
			Capacity utilisation (%)	103.55%
		FY 2022*	Installed capacity as on March 31, 2022	NA
			Actual production in Fiscal 2022	NA
			Capacity utilisation (%)	NA

**Commenced operations on January 6, 2023 in Fiscal 2023.*
 # Calculated for the period from December 1, 2022 to March 31, 2023.
@Calculated for the period from April 1, 2023 to December 15, 2023, post which decanter manufacturing was shifted to Unit II.
$ The premises of Unit I are presently being used for storage of manufactured decanters, and for manufacturing and assembly of 'solar sludge drying systems' under license from IST Anleganbau GmbH, which commenced in Fiscal 2025 post June 30, 2024.
Note: As certified by AN Somase and Associates, Chartered Engineer, by way of their certificate dated December 1, 2024

Decanter – Unit II

Product	Unit of measurement	Period	Particulars	Details
Moving arm Decanter	Meters	Three months ended June 30, 2024	Installed capacity as on June 30, 2024	210 meters / month
			Actual production in the three months ended June 30, 2024	412.00
			Capacity utilisation (%)	65.40%
		FY 2024#	Installed capacity as on March 31, 2024	210 meters / month
			Actual production in Fiscal 2024	717.00 meters
			Capacity utilisation (%)	97.55%
		FY 2023*	Installed capacity as on March 31, 2023	NA
			Actual production in Fiscal 2023	NA
			Capacity utilisation (%)	NA
		FY 2022*	Installed capacity as on March 31, 2022	NA
			Actual production in Fiscal 2022	NA
			Capacity utilisation (%)	NA

**Commenced operations on December 16, 2023 in Fiscal 2024.*
 # Calculated for the period from December 16, 2023 (when decanter manufacturing was shifted to Unit II) to March 31, 2024.
Note: As certified by AN Somase and Associates, Chartered Engineer, by way of their certificate dated December 1, 2024

Diffusers: We incorporated our Subsidiary, Fine Aeration Systems Private Limited, to manufacture diffusers at Unit No. 3, Nissar Industrial Park, Gate No. 404/2/5/1/3, Andori, Satara – 415521 Maharashtra, India. Established on December 22, 2022, the manufacturing unit has an installed capacity to manufacture 10,000 units per month. Set forth below are the capacity and capacity utilisation details with respect to our diffusers manufacturing unit for the three months ended June 30, 2024 and the last three Fiscals:

Product	Unit of measurement	Period	Particulars	Details
Diffuser assembly and aeration piping	Numbers	Three months ended June 30, 2024	Installed capacity as on June 30, 2024	10,000 nos. / month
			Actual production in the three months ended June 30, 2024	8,817.00
			Capacity utilisation (%)	29.39%
		FY 2024	Installed capacity as on March 31, 2024	10,000 nos. / month
			Actual production in Fiscal 2024	54,996.00
			Capacity utilisation (%)	45.83%
		FY 2023*	Installed capacity as on March 31, 2023	NA
			Actual production in Fiscal 2023	NA
			Capacity utilisation (%)	NA
		FY 2022*	Installed capacity as on March 31, 2022	NA
			Actual production in Fiscal 2022	NA
			Capacity utilisation (%)	NA

** Commenced operations on April 27, 2023.*
Note: As certified by AN Somase and Associates, Chartered Engineer, by way of their certificate dated December 1, 2024

***Blowers*: ** Through our Associate, Turbomax India Private Limited, we manufacture turbo blowers at D-32, MIDC Phase III, Sagaon, Dombivli East, Dombivli – 421204 Maharashtra, India. Set forth below are the capacity and capacity utilisation details with respect to our blowers manufacturing unit for the three months ended June 30, 2024 and the last three Fiscals:

Product	Unit of measurement	Period	Particulars	Details
Turbo blower assembly	Numbers	Three months ended June 30, 2024	Installed capacity as on June 30, 2024	30 nos. / year
			Actual production in the three months ended June 30, 2024	0.00
			Capacity utilisation (%)	0.00%
		FY 2024	Installed capacity as on March 31, 2024	30 nos. / year
			Actual production in Fiscal 2024	6
			Capacity utilisation (%)	20.00%
		FY 2023*	Installed capacity as on March 31, 2023	NA
			Actual production in Fiscal 2023	NA
			Capacity utilisation (%)	NA
		FY 2022*	Installed capacity as on March 31, 2022	NA
			Actual production in Fiscal 2022	NA
			Capacity utilisation (%)	NA

**Commenced operations on February 15, 2024.*

Note: As certified by AN Somase and Associates, Chartered Engineer, by way of their certificate dated December 1, 2024

***PLC*: ** Through our Subsidiary, Chavare Engineering Private Limited, we manufacture PLC components at D Unit II, Plot No.TS-19, Phase II, MIDC, Sagaon, Dombivli (East) 421 204, Maharashtra, India. Set forth below are the capacity and capacity utilisation details with respect to our PLC manufacturing unit for the three months ended June 30, 2024 and the last three Fiscals:

Product	Unit of measurement	Period	Particulars	Details
Electronic panels, Boards	Numbers	Three months ended June 30, 2024	Installed capacity as on June 30, 2024	1,375.00
			Actual production in the three months ended June 30, 2024	697.00
			Capacity utilisation (%)	50.69%
		FY 2024	Installed capacity as on March 31, 2024	5,500.00
			Actual production in Fiscal 2024	4,076.00
			Capacity utilisation (%)	74.12%
		FY 2023	Installed capacity as on March 31, 2023	5,500.00
			Actual production in Fiscal 2023	4,558.00
			Capacity utilisation (%)	82.87%
		FY 2022	Installed capacity as on March 31, 2022	5,500.00
			Actual production in Fiscal 2022	1,770.00
			Capacity utilisation (%)	32.18%

Note: As certified by AN Somase and Associates, Chartered Engineer, by way of their certificate dated December 1, 2024

***C-MEM Hollow Fibre*:** Through our Step-Down Subsidiary, SFC Ekotechnika, s.r.o, we manufacture C-MEM Hollow Fibre at Krizikova 2107 256 01 Benesov, Czech Republic. Set forth below are the capacity and capacity utilisation details with respect to our C-MEM Hollow Fibre facility for the three months ended June 30, 2024 and the last three Fiscals:

Product	Unit of measurement	Period	Particulars	Details
C-MEM Hollow Fibre	Pieces	Three months ended June 30, 2024	Installed capacity as on June 30, 2024	1,500.00
			Actual production in the three months ended June 30, 2024	750.00
			Capacity utilisation (%)	50.00%
		FY 2024	Installed capacity as on March 31, 2024	6,000.00
			Actual production in Fiscal 2024	2,730.00
			Capacity utilisation (%)	45.50%
		FY 2023	Installed capacity as on March 31, 2023	6,000.00
			Actual production in Fiscal 2023	2,100.00
			Capacity utilisation (%)	35.00%
		FY 2022	Installed capacity as on March 31, 2022	6,000.00

Product	Unit of measurement	Period	Particulars	Details
			Actual production in Fiscal 2022	3,100.00
			Capacity utilisation (%)	51.67%

Note: As certified by AN Somase and Associates, Chartered Engineer, by way of their certificate dated December 1, 2024

Our capacity utilisation is affected by the availability of raw materials, industry and market conditions as well as by the technological requirements of our customers. Underutilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term could adversely impact our business, growth prospects, future financial performance and negatively impact the return on investment of the shareholders on their capital invested.

8. Failure by third parties to supply, manufacture or deliver materials and components according to schedules, prices, quality, and volumes that are acceptable to us, or our inability to manage these materials and parts effectively may lead to delays in delivery of technology solutions to our customers, resulting in an adverse effect on our business, sales, and our ability to retain and expand our base of customers.

Our technology offerings contain materials, components and equipment purchased from a network of suppliers which exposes us to potential component shortages or delays. Unexpected changes in business conditions, materials pricing, labour issues, outbreak of wars, trade policies, natural disasters, health epidemics such as the global COVID-19 pandemic, trade and shipping disruptions, port congestions and other factors beyond our or our suppliers' control could also affect these suppliers' ability to deliver raw materials or components to us or to remain solvent and operational. Additionally, if our suppliers do not accurately forecast and effectively allocate production or if they are not willing to allocate sufficient production to us, it may reduce our access to materials, components and equipment, and require us to search for new suppliers. We have an exclusive supply agreement with one of our suppliers pursuant to which we cannot engage or promote other suppliers providing the components supplied by our exclusive supplier, which limits our ability to source those components from other suppliers. Additionally, we have entered into strategic partnerships through distributor agreement / supply agreements / license agreements executed with certain foreign suppliers by the virtue of which our Company has the exclusive rights to procure / sell / manufacture technology components. In case these agreements were to expire, or the terms are renegotiated, we could face supply chain disruptions or price fluctuations which could adversely affect our business operations and profitability. The unavailability of any material / component / equipment or supplier could result in production delays, inability to manufacture / produce our technologies, idle manufacturing facilities, product design changes, failure to supply / deliver our product offerings to our customers on time or at all. Our suppliers may not be willing or able to sustainably meet our timelines or our cost, quality and volume needs, or to do so may cost us more, which may require us to replace them with other sources. While we may be able to secure additional or alternate sources for most of our components, there is no assurance that we will be able to do so quickly or at all.

If we are unable to accurately match the timing and quantities of raw materials and component purchases to our actual needs or successfully implement inventory management and other systems to manage our supply chain and components management, we may incur unexpected production disruption, storage, transportation and write-off costs, which may harm our business and operating results.

9. The SWT projects we operate have been awarded primarily through competitive bidding process and our bids may not always be accepted. We may not be able to qualify for, compete and win projects, which could adversely affect our business and results of operations. Further, our ability to negotiate the standard form of contracts for our projects may be limited and certain unusual or onerous provisions may be imposed on us, which may restrict our flexibility in undertaking our business and thereby affect the efficient execution and profitability of our projects.

As a part of our business and operations, we bid for SWT projects basis our evaluation of the feasibility and commercial viability of the respective projects. We derive a portion of our revenue from contracts awarded by undertakings of the central and state governments in India. During the three months ended June 30, 2024 and in Fiscals 2024, 2023 and 2022, revenue generated from SWT contracts awarded by central and state government agencies represented 16.74%, 6.81%, 11.44% and 17.53% of our consolidated revenue from operations in such periods, respectively. Projects are awarded following competitive bidding processes and satisfaction of prescribed qualification criteria. Further, some of these agreements are entered into for a fixed period of time and do not provide for auto renewal post their expiration. For instance, the concession agreement with Goa Waste Management Corporation has been issued to HWTPL and VWTPL for a period of 11.5 years from the date when HWTPL and VWTPL respectively take over the project site for the completion of construction work in 1.5 years and an operational period of 10 years and do not provide for renewal post its expiration. We spend considerable time and resources in the preparation and submission of bids. We cannot assure you that we would bid where we have been prequalified to submit a bid or that our bids, when submitted or if already submitted, would be accepted. If we are not able to qualify in our own right to bid for projects, we may be required to partner and collaborate with other companies in bids for such projects. If we are unable to partner with other companies or lack the credentials to be the partner-of-choice for other companies, we may lose the opportunity to bid for projects, which could affect our growth plans. In addition, the government conducted tender processes may be subject to change in qualification criteria, unexpected delays and uncertainties. There can be no assurance that the projects for which we bid will be tendered within a reasonable time, or at all.

In the event that new SWT projects which have been announced and which we plan to bid for are not put up for tender within the announced timeframe, or qualification criteria are modified such that we are unable to qualify, our business, prospects, financial condition, cash flows and results of operations could be materially and adversely affected. Our ability to negotiate the terms of contracts with governmental agencies, is limited and certain unusual or onerous provisions may be imposed on us. These contracts typically have certain inherent risks associated with them, including, fixed payment intervals and terms, and our inability to renegotiate financial terms or to seek extension on the expiry of the initial term. The contract would also impose certain onerous provisions on us including restrictions in relation right to terminate the contract unilaterally without assigning any reason, liability of defects arising after termination of agreements, commitment compliance with operation and maintenance requirements, right to change the scope of work and associated details unilaterally. These onerous conditions may affect the efficient execution of our projects and may have adverse effects on our profitability. Further, projects awarded to us may be subject to litigation by unsuccessful bidders. Legal proceedings may result in delay in award of the projects and/or notification of appointed dates, for the bids where we have been successful, which may result in us having to retain unallocated resources and as a result, it would adversely affect our results of operations and financial condition. Further, we may be required to incur substantial expenditure, time and resources in defending such litigations. Any unsuccessful outcome in any such proceedings may lead to termination of a contract awarded to us, which could have a material adverse effect on our future revenues and profits.

10. We have had negative cash flows from operating activities in the past and may continue to have negative cash flows in the future.

We have experienced negative cash flows from operations in the recent past. Our consolidated cash flows for the three months ended June 30, 2024 and for the financial years 2024, 2023 and 2022 are set forth in the table below:

(in ₹ million)

Particulars	Three months ended June 30, 2024	Three months ended June 30, 2023	Financial Year		
			2024	2023	2022
Net cash generated / (used in) from operating activities	598.84	(69.16)	(43.72)	321.60	(41.93)
Net cash generated/ (used in) investing activities	78.17	(434.96)	(760.35)	(130.55)	(171.68)
Net cash generated/ (used in) from financing activities	(598.78)	370.57	636.98	(228.73)	191.93
Net increase / (decrease) in cash and cash equivalents	78.23	(133.55)	(167.09)	(37.69)	(21.68)

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our business, financial condition and results of operations could be materially and adversely affected. Further, we cannot assure you that our net cash flow will be positive in the future. For further information, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* on page 447.

11. We have incurred indebtedness and are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, accelerated repayment schedule, enforcement of security and suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows.

As of September 30, 2024, our outstanding borrowings (on a consolidated basis) aggregated to ₹1,741.23 million. Our financing agreements include conditions and restrictive covenants, including the requirement that we obtain consent from or intimate our respective lenders prior to carrying out certain activities and entering into certain transactions including, among others, effecting any change in our Company's capital structure, amending our Company's memorandum of association or articles of association. These restrictions may limit our flexibility in responding to business opportunities, competitive developments and adverse economic or industry conditions. Further, a breach of any of the covenants, or a failure to pay interest or indebtedness when due, under this or any of our other financing arrangements, could result in a variety of adverse consequences, including the termination of one or more of our credit facilities, levy of penal interest, the enforcement of any security provided, acceleration of all amounts due under such facilities, any of which may adversely affect our business, results of operations and financial condition.

Our financing agreements also generally contain certain financial covenants which vary depending on the requirements of the financial institution extending the loan and the conditions negotiated under each financing document. Such covenants may restrict or delay certain actions or initiatives that we may propose to take from time to time. We cannot assure you that we will comply with the covenants with respect to our financing arrangements in the future or that we will be able to secure waivers for any such non-compliance in a timely manner or at all. Further, while we have obtained the requisite consents from our lender with respect to the Offer, there can be no assurance that we will be able to obtain such consents for future actions. If the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes.

12. We have experienced delays in payment of certain statutory dues including employee state insurance corporation contributions, provident fund contributions and income tax payments in the past.

Our Company, in the regular course of its operations, is required to pay certain statutory dues including the employee state insurance contributions, employee provident fund contributions, income tax payments, tax deductions at source, professional taxes and good and services tax. In compliance with applicable laws, during the three months ended June 30, 2024 and the Fiscals 2024, 2023 and 2022, our Company has paid an aggregate amount of ₹128.19 million, ₹947.58 million, ₹584.82 million and ₹547.01 million, respectively as statutory dues to government agencies. Set forth below are the details of statutory dues paid during the three months ended June 30, 2024 and last three Fiscal years:

(in ₹ million)

Statutory Dues	Three months ended June 30, 2024	Financial year		
		2024	2023	2022
ESIC				
Employees' contribution	-	-	0.00^	0.00^
Employer's contribution	-	-	0.01	0.01
Provident Fund				
Employees' contribution	0.90	3.42	2.95	2.29
Employer's contribution	0.90	3.42	2.95	2.29
Income Tax				
Advance Tax	50.00	337.50	255.00	240.00
Self Assessment Tax	-	95.00	0.31	19.00
Tax deductions at source	42.13	109.09	92.88	89.48
GST	34.17	398.77	230.38	193.66
Profession Tax				
Professional tax (Employees)	0.10	0.38	0.33	0.26
Professional tax (Company)	0.00	0.00	0.00	0.00
Professional tax (Directors)	0.01	0.01	0.01	0.01
Total Statutory dues paid during the period	**128.19**	**947.58**	**584.82**	**547.01**

^ 0.00 represents a value less than ₹0.01 million.

As on September 30, 2024, our Company has made employee provident fund contributions for 178 employees. While we have incurred expenses towards payment of the applicable statutory dues, we have, in the past, experienced delays in payments of certain statutory dues. Set forth below are the instances of delays in payment of statutory dues during the three months ended June 30, 2024 and the last three fiscal years by our Company and Subsidiaries:

(in ₹ million)

Particulars	Name of Entity	Three months ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Employee Provident Fund contributions	Hindustan Waste Treatment Private Limited	-	0.01	0.01	0.04
	Vasudha Waste Treatment Private Limited	-	-	0.02	-
	Pentagen Biofuels Private Limited	-	0.02	-	-

(in ₹ million)

Particulars	Name of Entity	Three months ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Employee State insurance contributions	Hindustan Waste Treatment Private Limited	-	0.00^	-	-
Goods and Service Tax	SFC Environmental Technologies Limited	-	0.64	9.00	3.62
	Hindustan Waste Treatment Private Limited	-	0.00^	-	-
	Vasudha Waste Treatment Private Limited	-	-	-	0.00^
	Pentagen Biofuels Private Limited	-	0.01	-	-
Labour Welfare Fund Contribution	Fine Aeration Systems Private Limited	-	0.00^	0.00^	-
Professional Tax	Fine Aeration Systems Private Limited	-	0.01	-	-
	Pentagen Biofuels Private Limited	-	0.01	-	-
Tax Collected at Source	SFC Environmental Technologies Limited	0.00 ^	0.01	0.01	0.30
	Hindustan Waste Treatment Private Limited	-	0.08	0.00	-
	Vasudha Waste Treatment Private Limited	-	0.00	0.00	-
Tax Deducted at Source	SFC Environmental Technologies Limited	0.69	1.29	0.19	0.31
	Hindustan Waste Treatment Private Limited	-	0.01	0.00^	0.14
	Vasudha Waste Treatment Private Limited	-	0.07	-	0.16
	Fine Aeration Systems Private Limited	-	0.15	-	-
	Chavare Engineering Private Limited	0.11	0.57	0.28	0.61
	Pentagen Biofuels Private Limited	0.05	0.42	-	-

^ 0.00 represents a value less than ₹0.01 million.

While our Company has undertaken corrective actions to avoid any such delays in payments in the future, we cannot assure you that no such delays will occur in the future, and it may have a material impact on our financials or results of operations.

13. Delays in receiving payment of outstanding dues from third parties may affect our financial condition and results of operations.

The primary collection risk of our trade receivables relates to the failure by clients to pay in a timely manner and in full, for the products and services that we have provided. We cannot assure you that we will be able to collect the full principal sums from our clients. Even for those who partially pay their bills, we may not be able to collect their remaining payments in a timely manner, or at all. Set forth below are details of our Company's trade receivables and trade receivables turnover ratios (on standalone basis) for the three months period ended on June 30, 2024, June 30, 2023 and the Fiscals 2024, 2023 and 2022:

Particulars	Three months ended June 30, 2024	Three months ended June 30, 2023	Fiscal		
			2024	2023	2022
Trade receivables (in ₹ million)	1,653.10	1,071.01	2,812.78	1,777.18	1,116.07
Trade receivables turnover ratio (days)*	297	222	197	158	105

**Trade receivables days is derived as trade receivables at the period end multiplied by 365 divided by revenue from operations. Days for three month period is calculated as 365/4.*

While we undertake periodic review of the outstanding amounts, regular follow-ups with parties for recovery of payments and strengthening collection processes and emphasise on taking letters of credit, there is no assurance that we will be successful in doing so. While there have not been any instances of delays in receiving payment of significant outstanding dues in the three preceding Fiscals, any significant delays in receiving payment of significant outstanding dues from third parties may have a material adverse impact on our business, financial condition, results of operations and prospects.

14. Our SWT business largely depends on governmental agencies and the loss of such business or a termination / non-renewal of contracts by such government agencies will have a significantly adverse impact on our business. The discontinuation or loss of business with respect to, or changes in government priorities, budget constraints, or changes in policy, for which we are engaged on contractual basis could adversely affect our business and results of operations.

Our SWT business and revenues are substantially dependent on projects or contracts awarded by government establishments, including central, state and local authorities and agencies and public sector undertakings. Any adverse changes in government policies and budgetary allocation resulting from a change in government policies or priorities, could materially and adversely affect our financing, capital expenditure, revenues, or operations relating to our existing and proposed SWT projects as well as our ability to participate in competitive bidding or negotiations for our future SWT projects.

We derived over 5% of our consolidated revenue during the last three fiscals from Goa Waste Management Corporation, a government enterprise. Governmental agencies contributing significantly to our revenue may not renew their arrangements or may not continue to award contracts to us on a nomination basis, due to changes in government policy or budgetary allocation. While we continue to source other customers and enter into other contracts, there can be no assurance that we will be able to entirely substitute the revenue generated from existing customers in the event they do not renew their arrangements with us. A change in government policy or budgetary allocation may also affect the ability of these customers to perform their obligations under the contracts entered into with us. These and any other events that have an adverse impact on the operations or financial condition of these key customers would have a direct impact on our revenues and results of operation.

Given that we derive a significant portion of our SWT revenue from governmental agencies, we are exposed to various additional risks inherent in doing business with them, which may adversely affect our business, results of operations and financial condition. These risks include:

- participation in contracts with government entities could subject us to stricter regulatory and testing requirements which may increase our compliance costs;
- execution of the detailed definitive documentation and agreements with the governmental agencies may take a significant amount of time and cause delays;
- delays in project implementation and key initiatives where we have invested significant cost;
- delays in payment due to the time taken to complete internal processes of such entities and agencies;
- levy of liquidated damages due to our execution delays, which may adversely affect our profit margins;
- contracts with government agencies are awarded to the lowest bidder that meets the technical conditions of the tender, which makes winning such tenders difficult. In addition, if we have to lower our pricing in order to win tenders, it would exert pressure on our margins;
- the tender process is long and may be subject to significant delays and/or renegotiation of the terms of the bid or lowering the price for products and services included in the tender;
- political and economic factors such as pending elections, changes in leadership among key governmental decision makers, changes or delays in the implementation of government policies, revisions to tax policies and reduced tax revenues can affect the number and terms of new government contracts signed; and
- any disinvestment by the GoI of its shareholding in such entities could result in a change in business operations of such entities, which may impact existing or future business arrangements between our Company and such entities.

15. The objects of the Fresh Issue include funding working capital requirements, which is based on certain assumptions and estimates. Any failure in arranging adequate working capital for our operations may adversely affect our business, results of operations, cash flows and financial conditions.

The proposed deployment of Net Proceeds includes funding working capital requirements, which is based on management estimates and certain assumptions. For details, see "*Objects of the Offer*" on page 141. Our business requires working capital, and the actual amount of our future working capital requirements may differ from estimates as a result of, among other factors, unanticipated expenses, fluctuations in price of raw materials / components, economic conditions, growth in revenue, changes in the terms of our financing arrangements, additional market developments and new opportunities in the sector. Any delay in the Offer may impact the funding of our working capital requirements, and adversely affect our business, operations, cash flows and financial condition.

16. Any failure to comply with trade restrictions such as economic sanctions and export controls or with anti-bribery and anti-corruption frameworks instituted by government authorities or international organizations, such as multilateral development banks, could negatively impact our reputation and results of operations.

We may be subject to trade restrictions, including economic sanctions and export controls, imposed by government(s) around the world or international organisations with jurisdiction over our operations, which prohibit or restrict transactions involving certain designated persons and certain designated countries or territories. Our failure to successfully comply with these laws and regulations may expose us to reputational harm as well as significant sanctions, including criminal fines, imprisonment, civil penalties, disgorgement of profits, injunctions, debarment from government contracts, and other remedial measures. Investigations of alleged violations can be expensive and disruptive. Additionally, our operations are also subject to anti-bribery and anti-corruption frameworks instituted by governmental authorities having jurisdiction over the projects we participate in, as well as by international organisations, such as multilateral development banks, that finance such projects. Any failure to comply with such frameworks could lead to us becoming ineligible for participation in ongoing or future projects, consequent commercial and reputational damage, and also require significant management attention towards remedying such non-compliances and strengthening internal controls. For instance, one of our Subsidiaries, SFC Umwelttechnik GmbH, a company registered in Austria, was included in the World Bank List of Debarred Firms from November 21, 2016 to February 20, 2018, following the identification of fraudulent practices under two World Bank-financed projects in Vietnam. As a consequence of such debarment, SFC Umwelttechnik GmbH was also debarred by the Asian Development Bank and the Inter-American Development Bank with effect from December 22, 2016 and January 3, 2017 respectively, in each case up to February 20, 2018. The Subsidiary was not eligible to participate in any contracts for projects funded by the World Bank, the Asian Development Bank or the Inter-American Development Bank during the respective periods of debarment. While the Subsidiary no longer appears in such watchlists, there can be no assurance that we or any of our Subsidiaries will not appear in any such watchlists in the future, including due to failure to adhere to the relevant governance norms instituted by such multilateral development banks.

In addition, any perceived or actual breach of compliance by us with respect to applicable laws, rules, and regulations could have a significant impact on our reputation and could cause us to lose existing customers, prevent us from obtaining new customers, negatively impact investor sentiment about our Company, require us to expend significant funds to remedy problems caused by violations and to avert further violations, and expose us to legal risk and potential liability, all of which may have a material adverse effect on our reputation, business, financial condition, and results of operations.

17. ***Our Company requires significant amounts of working capital for continued growth. Our inability to meet our working capital requirements, on commercially acceptable terms, may have an adverse impact on our business, financial condition and results of operations*.**

We propose to utilise ₹906.88 million from the Net Proceeds to fund the working capital for meeting business requirements of our Company in Fiscals 2026 and 2027. Our business requires a substantial amount of working capital on account of multiple factors such as trade receivables from our customers, which represent payments expected for goods and services rendered, inventories on account of business operations requirements, and fixed deposits in lien for various credit facilities. We fund our working capital requirements primarily through our internal accruals and borrowings from banks. Our Company's outstanding working capital facilities (including fund based and non-fund based) as of September 30, 2024 amounted to ₹878.26 million. We also intend to use ₹906.88 million from the Net Proceeds towards funding our working capital requirements. The estimates have not been appraised by any bank or financial institution or other independent agency and no appraising entity has been appointed for the Offer. The proposed fund deployment is based on internal management estimates basis the current circumstances of our business, and we may have to revise our estimates from time to time on account of various factors, such as financial and market conditions, competition, interest rate fluctuations and other external factors, which may not be within the control of our management. There can be no assurance that we will be able to secure adequate financing in the future on commercially acceptable terms, or at all, including in the event our lenders call in loans repayable on demand or if there is a change in applicable regulations. Our inability to obtain or maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, to meet our working capital requirements or to pay our debts, could adversely affect our financial condition and results of operations. For details on our working capital facilities, see "*Financial Indebtedness*" on page 476.

At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. If we are unable to deploy the Net Proceeds in a timely or efficient manner, our business and results of operations may be affected. We operate in a competitive and dynamic industry and may need to revise our estimates from time to time based on changes in a number of factors, including timely completion of the Offer, general economic and business conditions, increasing regulations or changes in government policies, competitive landscape, as well as general factors affecting our business, results of operations, financial condition and access to capital such as credit availability and interest rate levels, which are beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in the interest of our Company.

18. Our Company is involved in certain legal proceedings. Any adverse decision in such proceedings may render us liable to liabilities / penalties and may adversely affect our business, financial condition, results of operations and cash flows.

Our Company is involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals or other governmental authorities. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally from us and other parties. Should any new developments arise, such as any change in applicable Indian law or any rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase expenses and current liabilities. Any adverse decision in such legal proceedings may have a material adverse effect on our business, financial condition, results of operations and cash flows.

A summary of outstanding litigation proceedings involving our Company, our Promoters, our Directors and our Subsidiaries as on the date of this Draft Red Herring Prospectus and as disclosed in the "*Outstanding Litigation and Other Material Developments*" section on page 479 in terms of the requirements under the SEBI ICDR Regulations is provided below:

Category of individuals / entities	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigation#	Aggregate amount involved* (in ₹ million)
Company						
By the Company	Nil	Nil	Nil	NA	Nil	Nil
Against the Company	Nil	8	Nil	NA	Nil	20.26
Director						
By the Directors	Nil	Nil	Nil	NA	Nil	Nil
Against the Directors	Nil	2	Nil	NA	Nil	0.30
Promoters**						
By the Promoters	Nil	Nil	Nil	NA	Nil	Nil
Against the Promoters	Nil	2	Nil	Nil	Nil	0.00^
Subsidiary						
By the Subsidiary	Nil	Nil	Nil	NA	Nil	Nil
Against the Subsidiary	Nil	5	Nil	NA	1	527.31***

 # Determined in accordance with the Materiality Policy.
** To the extent quantifiable.*
***Including the Directors who are Promoters.*
**** The amount involved in the material civil litigation involving our Subsidiary, SFC Umwelttechnik GmbH and others, is €5.6 million, amounting to ₹500.42 million. (For the purposes of calculation of amount in ₹ terms, the exchange rate as on November 29, 2024 has been considered. The rate of conversion of 1 Euro as on November 29, 2024 was ₹89.36 (Source: www.rbi.org.in).*
^ Indicates an amount less than ₹0.01 million.

Further, there are no litigation proceedings involving our Group Companies which have a material impact on our Company.

If any of the litigations are decided against our Company or Subsidiaries, as the case may be, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. In this regard, we may be subject to penalties and regulatory actions including the suspension of our business. There can be no assurance that these litigations will be decided in favour of our Company or in the favour of our Subsidiary, Directors or Promoters, and such proceedings may divert management time and attention and consume financial resources in their defence or prosecution. An adverse outcome in any of these proceedings may affect our reputation, standing and future business, and could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

19. We depend on a few suppliers for the supply of majority of our raw materials and we do not have continuing and exclusive supply agreements with them. Any interruptions in the supply of raw materials, fluctuations in raw material prices or any failure by our suppliers to make timely delivery of raw materials could adversely affect our business, results of operations and financial conditions.

We depend on a limited number of third-party suppliers for supply of raw materials and components required for our operations, which subjects us to concentration risk. Some of our primary raw materials and components for manufacturing include decanters, diffusers, spares and PVC pipes. We procure these materials typically through purchase orders which set out the terms and conditions in relation to quantity, pricing and delivery details and do not enter into any continuing and exclusive supply agreements with our suppliers, making our business vulnerable to fluctuations in prices of materials. If our suppliers do not perform their obligations in a timely manner or cease operations or decide to discontinue our supply relationships, or at all, we would need to find alternative suppliers, within a requisite span of time and our ability to manufacture our products may be adversely affected and we may breach our contractual obligations to our customers. While we have not experienced any instance where any of our suppliers did not fulfil their obligations in a timely manner in the last three Fiscals and three months ended June 30, 2024 that resulted in a material adverse impact on our operations, we cannot assure that such instances will not arise in the future. Given the sensitivity of our operations to material costs, effective management of our supply chain and strategic sourcing remains crucial to mitigating these risks. See also, "*Our Business – Procurement*" on page 276.

The table below sets forth the cost of raw materials which we have obtained from our top 10 suppliers for the years indicated:

Particulars	Three months ended June 30, 2024	For the Financial Year		
		2024	2023	2022
Cost of raw materials and traded goods supplied by top 10 suppliers (in ₹ million)	246.67	2,189.94	2,019.00	1,480.00
Cost of raw materials and traded goods supplied by top 10 suppliers, as a percentage of cost of raw materials consumed (%)	52.95%	63.59%	61.60%	47.42%

Note: The top 10 suppliers of our Company in the last Fiscal include TurboMax Company Limited, Yucheon International Co. Ltd., Environmental Dynamics International INC and CEE Square Engineers. These suppliers may not be our top 10 suppliers in each of the abovementioned Fiscals and the disclosure of names has only been made for such suppliers who have consented to being named. The remainder of our top 10 suppliers have not been named in this Draft Red Herring Prospectus due to non-receipt of consents from such suppliers and potential confidentiality restrictions.

If one or more of our suppliers ceases supply to our Company for reasons including due to commercial disagreements, insolvency of the supplier or supply chain issues, we may be unable to source our raw materials from alternative suppliers on similar commercial terms or within a reasonable timeframe. This may adversely impact our production and eventually our business, results of operations, financial conditions and cash flows. In such a scenario, we may also breach contractual terms of delivery and installation which we have entered into with our customers, which may have an adverse impact on our results of operations, financial conditions and cash flows.

20. Our failure to raise additional capital or generate cash flows necessary to expand our operations and invest in new technologies in the future could reduce our ability to compete successfully and harm our results of operations or cause us to curtail or cease our operations.

As we pursue our growth plan, our Company will have additional capital expenditures / investments and working capital requirements. The actual amount and timing of our future capital expenditure or working capital requirements may differ from estimates due to, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, design changes, technological changes, additional market developments and new opportunities in the industry. As per our estimates, our existing cash and cash equivalents will be sufficient to fund our operations but our expenses may be greater than forecasted and we may need to raise additional funds to continue our operations in the future. We nevertheless may be required to obtain additional debt or equity financing to fund our business operations. There can be no assurance that additional funds will be available when needed from any source or, if available, will be available on terms that are acceptable to us. We may be required to pursue sources of additional capital through various means, including debt or equity financings. If we are able to raise additional equity financing, our Shareholders may experience significant dilution of their ownership interests and the value of our securities could decline. If we were to engage in debt financing, we may be required to accept terms that restrict our ability to incur additional indebtedness, force us to maintain specified liquidity or other ratios or restrict our ability to pay dividends or make acquisitions. In addition, the availability of funds depends in significant measure on capital markets and liquidity factors over which we exert no control. Our ability to obtain needed financing may be impaired by such factors as the capital markets and our financial history, which could impact the availability or cost of future financings. In light of periodic uncertainty in the capital and credit markets, we can provide no assurance that sufficient financing will be available on desirable terms or at all to fund investments, acquisitions, share repurchases, dividends, debt refinancing or other corporate needs, or that our counterparties in any such financings would honour their contractual commitments. If we need additional capital and cannot raise it on acceptable terms, or at all, we may not be able to execute on our growth strategy, which could reduce our ability to compete successfully and harm our business or we may have to curtail or cease our operations.

If we decide to raise additional funds through the incurrence of debt or issuance of debt securities or a combination of both, our interest and debt repayment obligations will increase, which could have a significant effect on our profitability and cash flows. We may also become subject to restrictive covenants in our financing agreements, which could limit our ability to access cash flows from operations and undertake certain types of transactions. Any issuance of equity to raise additional funds, on the other hand, would result in a dilution of the ownership of existing shareholders and our earnings per Equity Share.

Our working capital requirements may increase if the payment terms in our agreements with our clients include reduced advance payments or longer payment schedules. For further details, see *"Objects of the Offer"* on page 141. These factors may result in increases in the amount of our receivables and short-term borrowings. Continued increases in our working capital requirements or our inability to obtain financing at favourable terms, or at all may have a material adverse effect on our financial condition, results of operations and cash flows.

21. ***Certain of our immovable properties, where some of our manufacturing units are located, are leased. If we are unable to renew existing leases or relocate our operations on commercially reasonable terms, there may be an adverse effect on our business, financial condition and operations.***

Some of our business operations are being conducted on premises leased from third parties. To set up our upcoming office space, we have taken on lease Units 2201 and 2202, 22nd Floor, Rupa Renaissance, D-33, D207, Juinagar, MIDC Road, TTC Industrial Area, Navi Mumbai – 400705, Maharashtra, India for a term of 108 months ending May 14, 2033. Further, some of our manufacturing facilities are situated on leased properties. Phase I of our Pune decanter unit is situated on a leased premises at PAP G/8/7, Chakan Industrial Area, Phase-III, Village - Kuruli, Chakan – 410501 Maharashtra, India, and phase II of our Pune decanter unit is situated on a leased premises at PAP-S-79, Chakan Industrial Area Phase-II, Air Liquide Chowk, Village: Savardari, Chakan - 410501 Maharashtra, India. The blowers manufacturing unit operated by our Associate, Turbomax India Private Limited is situated on a leased premises at D-32, MIDC Phase III, Sagaon, Dombivli East, Dombivli – 421204 Maharashtra, India. Further, our Subsidiary, SFC Ekotechnika, s.r.o, manufactures C-MEM Hollow Fibre at its manufacturing unit on a leased premised situated at Krizikova 2107 256 01 Benesov, Czech Republic. The tenure of the leases is generally agreed in the relevant lease agreements. While there are currently no instances of non-compliance of the terms of our lease agreements, there can be no assurance that there will be no such non-compliance leading to termination of such leases in the future. Any change in the terms and conditions of the lease agreements and any premature termination of such lease agreements may have an adverse impact on our operations.

Any adverse impact on the title, ownership rights, development rights of the owners from whose premises we operate, breach of the contractual terms of any lease, leave and license agreements, or any inability to renew such agreements on acceptable terms may also affect our operations. In addition, the terms of certain of our leases require us to obtain the lessor's prior consent for certain actions, including making structural alterations to the leased premises, which may be required if we were to undertake an expansion in the future. There can be no assurance that we will be able to renew these leasing arrangements at commercially favourable terms, or at all. If we are unable to renew all or any of our leasing arrangements, it may cause disruptions in our business and we may incur substantial costs associated with shifting to new premises, all of which may adversely affect our business operations.

22. Our actual cost in executing an SWT contract may vary substantially from the assumptions underlying our bid. We may be unable to recover all or some of the additional expenses, which may have an adverse effect on our business, financial condition, results of operations, and prospects.

Our cost estimates depend on a number of factors including costs of materials, provisions for cost escalation due to increase or decrease in rates and price of labour, equipment, fleet of vehicles and other material inputs. Currently we submit monthly invoices for the valuation of materials used on our SWT business operations. We may, in the future, enter into contracts which may not contain price escalation clauses covering increase in the cost of fuel, labour and other inputs. Accordingly, our actual expense in executing the contract may vary substantially from the assumptions underlying our bid for several reasons, including, but not limited to unanticipated increases in the cost of fuel, material labour or other inputs, unforeseen construction conditions, delay in transfer of land by the government or obtaining rights of way, our inability to obtain requisite environmental and other approvals, permits and clearances resulting in delays and increased costs, delays caused by local weather conditions.

Unanticipated increases in the price of materials, fuel costs, labour or other inputs not taken into account in our bid may also have compounding effects by increasing costs of performing other parts of the contract. Our ability to pass on increases in the cost of fuel, equipment, labour and other inputs may be limited in the case of contracts with limited or no price escalation provisions and we cannot assure you that these variations in cost will not lead to financial losses to our Company.

23. We employ a significant number of personnel in our business operations which are a substantial part of our total expenses and are susceptible to risks relating to compliance with labour laws and our operations could be adversely affected by labour shortages, strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.

We are subject to various labour laws in India including the Factories Act, 1948 and the Contract Labour (Regulation and Abolition) Act, 1970, and we may be held responsible in the event of any default by us or the independent contractor engaged by us who contracts with the contracted workers as well as in making payment of wages or providing benefits such as payment of, or contribution to, provident fund. Changes in labour laws, such as minimum wage laws, may also require us to incur additional costs, such as raising salaries or increasing our contributions to the EPF. For example, in order to rationalize and reform labour laws in India, the Government of India has notified four labour codes which are yet to completely come into force as on the date of this Draft Red Herring Prospectus, namely, (i) the Code on Wages, 2019, (iii) the Code on Social Security, 2020; and (iv) the Occupational Safety, Health and Working Conditions Code, 2020. Such codes will replace the existing legal framework governing rights of workers and labour relations. Once these codes are in full force, we may be required to incur additional expenditure to ensure compliance with them. The implementation of laws enhancing employee benefits may increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

As of September 30, 2024, our Company had an aggregate of 178 employees. Further, our skilled workforce included 97 engineers as on September 30, 2024. For the three months ended June 30, 2024 and June 30, 2023, and for the Fiscals 2024, 2023 and 2022, our consolidated employee benefits expense was ₹182.46 million, ₹125.97 million, ₹600.00 million, ₹494.73 million and ₹437.71 million, respectively, constituting 19.83%, 18.05%, 12.33%, 12.21%, and 10.95% respectively, of our consolidated total expense for such periods. While we have not experienced any material incidents in the past, our operations could be adversely affected by labour shortages, strikes, increased labour costs or work stoppages or failure of our personnel to adequately perform their duties including rendering deficient services, shortage in shift, absenteeism or unpunctuality, any misuse or contravention of laws or policies or breach of confidentiality by existing or former employee and criminal acts, torts or other negligent acts by our employees and contractual employees, and could result in significant disruptions or delays in our ability to provide services. These claims may give rise to litigation and claims for damages, which could be time-consuming. In three months ended June 30, 2024 and Fiscals 2024, 2023 and 2022, we did not face any material instances of employee disruptions, or claims against us by our employees. In the event of labour shortages, we may have difficulties recruiting or retaining employees or it may cause us to incur additional costs and result in delays or disruption to our operations.

24. Failure to effectively treat emerging contaminants or failure of our treatment systems or spills causing discharge of untreated or partially treated wastes can lead to various damages including environmental damage and thereby adversely affect our business, financial condition, results of operations or prospects.

A number of emerging contaminants might be found in water and solid wastes that we treat in addition to other pathogens and hazardous substances that have the potential to cause any number of illnesses and infections.

Workers may be exposed to these contaminants / pathogens before the wastes are treated. In case any of our SWT facilities are not operated properly, or in case of a malfunction of our technology resulting in the waste not getting fully treated, we run the risk of third-party exposure to contaminants that are generated as by-products. The potential impact of a failure to treat is difficult to predict and could lead to an increased risk of exposure to property damage, natural resource damage, personal injury or even product liability claims, increased scrutiny by governmental regulatory agencies and negative publicity. Further, an outbreak of disease in any of the localities we serve could result in a widespread loss of customers across other such markets.

25. We are exposed to significant cost variations on fixed-rate contracts.

Under the terms and conditions of our contracts, we generally agree to a fixed rate for providing waste collection, cleaning, sweeping, disposal waste aggregation and waste processing services. We are provided with limited escalation in price after a specified period. In the past, we have not experienced any material adverse effect on our business, results of operations, or financial condition due to such variations in fixed-rate contracts. However, we cannot assure you that such variations will not occur in the future or result in a material adverse effect. The actual expenses incurred by us while executing a fixed-price contract may vary substantially from our bid for various reasons, including but not limited to:

- unanticipated increases in the cost of equipment, materials or manpower;
- changes in taxes and duties;
- delays due to non-receipt of client approvals or payments at specific project milestones;
- delays associated with the delivery of equipment and materials to the project site;
- delays caused by local weather conditions;
- disputes arising out of the contract; and
- suppliers or sub-contractors’ failure to perform.

Unanticipated costs or delays in performing a part of the contract can also have compounding effects by increasing costs of performing other parts of the contract. In addition, we may be required to pay liquidated damages to the client for any delay. These variations and the risks are generally inherent to the businesses in which we operate and may result in our revenues or profits being different from those originally estimated resulting in reduced profitability or losses on projects. Depending on the size of a project, these variations from estimated contract performance could have a significant adverse effect on our results of operations.

26. We are dependent on R&D for our future success. While we do not have any formal R&D programme in place currently, if we do not successfully develop new products or continue our product portfolio expansion in a timely and cost-effective manner, our business, financial condition, cash flows and results of operations may be adversely affected.

To remain competitive, we must continue to stay abreast of the constantly evolving industry trends and to enhance and improve the responsiveness, functionality and features of our business offerings. In order to attract and retain customers and compete against our competitors, we must continue to invest significant resources in research and development to enhance our technology. The waste treatment industry is characterized by technological evolution, introduction of new technologies, and the emergence of new industry standards and practices, any of which could render our existing technologies and systems obsolete. Our success will depend, in part, on our ability to identify, develop, acquire or license leading technologies useful in our business, and respond to technological advances and emerging industry standards and practices in a cost-effective and timely way. There can be no assurance that we will be able to use new technologies effectively or adapt our existing technologies to meet customer requirements or emerging industry standards. If we are unable to adapt in a cost-effective and timely manner in response to changing market conditions or customer preferences, whether for technical, legal, financial or other reasons, our business may be materially and adversely affected.

We have a track record of successfully expanding into new product / service categories. Developing and launching enhancements to our technologies / offerings may also involve significant technical risks and upfront capital investments that may not generate return on investment. We may use new technologies ineffectively, or we may fail to adapt to emerging industry standards. If we face material delays in introducing new or enhanced technologies or if our recently introduced offerings do not perform in accordance with our expectations, our customers may forego the use of our technologies in favour of those of our competitors.

27. We are subject to certain obligations under our agreements with our customers, and a failure to comply with the specifications prescribed under such agreements may lead to loss of business from such customers, invocation of our warranty claims and indemnity obligations, and could negatively impact our reputation, business prospects, cash flows and results of operations.

We are an environmental technology company offering efficient technologies and comprehensive engineering solutions in the field of wastewater treatment and solid waste treatment. The products we manufacture and procure are required to meet precise and specific requirements including in terms of quality, measurements and efficiency. While no penalty amounts have been levied on us for failing to deliver services as stipulated in the terms of the respective contracts with our customers during the three months ended June 30, 2024 and the Fiscals 2024, 2023 and 2022, failure by us to achieve or maintain compliance with these requirements or quality standards may disrupt our ability to supply products sufficient to meet our customers' demands, which may lead to us incurring costs for repairing or replacing defective products as well as conducting product recalls and paying warranty and liability claims or the customer offsetting any such amounts from payments due to us from such customer and/or cancellation of existing and future orders, any of which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our agreements also impose confidentiality restrictions from disclosing certain information to any third-parties, and have standard liability clauses in relation to quality and delivery of our products, which ordinarily do not have any limits. Accordingly, we are required to provide warranty for such quality and delivery related obligations, which may or may not be capped in terms of time or monetary value. In addition, we may also be required to indemnify customers against losses occurring as a result of defective products and reimburse our customers for administrative, labor, material and other such costs. Further, the supply of defective products may result in return of such products or rescission of the supply contract by our customers, and/or our customers initiating litigation against us, which could materially harm our reputation, business, financial condition, cash flows and results of operations. Although we have obtained insurance coverage, we may not be covered for all situations that may arise with regard to any defects in our products. Except for our Subsidiary, SFC Umwelttechnik GmbH which is currently involved in a litigation over alleged technical deficiencies in the supply of its services and equipment for a STP in Arreigada, Portugal, there have been no instances where we were subject to any product liability claims in the three months ended June 30, 2024 and the last three Fiscals. For further details, see "*Outstanding Litigation and Other Material Developments - Litigation proceedings involving our Subsidiaries*" on page 480. We cannot guarantee that we can continue to comply with all regulatory requirements, or the quality standards required by our customers and there can be no assurance that no product liability claims will arise in the future. Further, while there have been no instances where we have had to recall our products in the last three Fiscals, we cannot assure you that such instance will not arise in the future, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

28. Certain of our corporate records and filings are not traceable or have certain discrepancies. We cannot assure you that regulatory proceedings or actions will not be initiated against us in the future and we will not be subject to any penalty imposed by the competent regulatory authority in this regard.

We have not been able to trace the Form 32 or the corresponding challan in respect of the change in the designation of Sandeep Sudhakar Asolkar from Director to Managing Director in Fiscal 2006. In addition, the challans for filings made in respect of an allotment of equity shares dated March 31, 2008 and change in the registered office our Company on April 1, 2008 are not traceable. We have included the details with respect to such corporate actions in the Draft Red Herring Prospectus basis the search report dated December 1, 2024 issued by the Independent Practising Company Secretary pursuant to their inspection and independent verification of the documents available or maintained by our Company, the Ministry of Corporate Affairs at the MCA Portal and the RoC, and alternate corporate records available with us. We have also sent an intimation through our letter dated September 26, 2024 to the RoC informing them of such missing records. Additionally, we have not received relevant acknowledgments from the RBI or the relevant authorised dealer banks, as applicable, for forms filed made with respect to allotment of equity shares to certain non-resident shareholders made on March 29, 2005, March 28, 2007 and March 31, 2008, and three secondary transfers of equity shares between resident and non-resident persons.

Further, we have not received acknowledgement from the RBI or the relevant authorised dealer bank, as applicable, for the forms filed with respect to acquisition of additional equity stake by us in our foreign subsidiary, SFC Umwelttechnik Gmbh, from certain non-resident shareholders, aggregating to 17.24%. Also, we have not received acknowledgement from the RBI or the relevant authorised dealer bank, as applicable, for annual performance report, with respect to our foreign subsidiary, SFC Umwelttechnik Gmbh.

Further, there have been certain typographical errors in some of our corporate records wherein, (i) as per the MoA, Aparna Vivek Kapoor was allotted 4,500 Equity Shares, whereas originally she was allotted only 4,000 Equity Shares; (ii) the list of allottees which is annexed to Form 2, filed in relation to the allotments made on March 31, 2008, has certain mismatches in the number of shares allotted to, and amount paid by Enviropro Water Tech Private Limited, Sandeep Sudhakar Asolkar and Aparna Vivek Kapoor, and (iii) the list of allottees which is annexed to Form PAS-3, filed in relation to the allotment made on July 24, 2023. In this regard, our Company has filed an application dated November 25, 2024 in Form GNL-1 with the RoC. This application is currently pending.

While there have been no regulatory proceedings or actions initiated against us in relation to the aforementioned non-availability of the corporate records and discrepancies, we cannot assure you that we will not be subject to legal proceedings, regulatory action or penalties imposed by statutory or regulatory authorities in this respect, which may adversely affect our business, financial condition, results of operations and reputation.

29. We may be liable for the non-performance of our consortium or joint venture partners.

We selectively enter into consortium arrangements and joint ventures towards development of waste treatment projects. In order to establish or preserve relationships with such partners, we may agree to assume risks and contribute resources that are proportionately greater than the returns we expect to receive in the related joint venture. Such agreements may reduce our income and returns on these investments compared to what we would have received if our assumed risks and contributed resources were proportionate to our returns.

In the event there are differences with our partners and/or if we do not have adequate experience in such sector, we may not be able to recover the capital that we have invested, in addition to the relevant project being adversely affected, as a consequence of which, we may be impacted by such contractual liability arising pursuant to project not being completed on time. We may, in certain instances, fail to reach agreement on significant decisions on a timely basis.

A breach or inability of our partners to continue with a project, due to financial, legal or other difficulties, could result in us being required to bear increased and, at times, sole responsibility for the completion of the project and a greater share of the financial risk of the project. While no such liability has arisen on us in the past, in the event that a claim, arbitration award or judgment is awarded against the joint venture or the consortium, we may be responsible to the client for the entire claim, irrespective of whether or not we are indemnified by our consortium partner. The occurrence of any or all of the above events may result in a material adverse effect on our business, financial condition and results of operations.

30. Information relating to capacity utilization of our manufacturing facilities and operational plants included in this Draft Red Herring Prospectus are based on various assumptions and estimates. Under-utilization of our capacities and an inability to effectively utilize such capacities may have an adverse effect on our business and future financial performance.

Information relating to our capacity, actual production and capacity utilization of our manufacturing facilities and operational plants included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management and independent chartered engineer, namely, AN Somase and Associates , including proposed operations, assumptions relating to availability and quality of raw materials, range of product mix, potential utilization levels and operational efficiencies. For further information regarding our manufacturing facilities and estimated capacity utilization, see "*Our Business – Our Manufacturing Capacity*" on page 269. Actual and future manufacturing volumes and capacity utilization rates may differ significantly from the estimated production capacities of our manufacturing facilities. Undue reliance should therefore not be placed on the information relating to our installed capacities of our manufacturing facilities included in this Draft Red Herring Prospectus. Further, there is no guarantee that our future production or capacity utilization levels will match or exceed our historical levels. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term could increase our cost of production and our operating costs and adversely impact our business, growth prospects and future financial performance. Our expected return on capital invested is subject to, among other factors, the ability to ensure satisfactory performance of personnel to further grow our business, our ability to absorb additional infrastructure costs and utilize the expanded capacities as anticipated.

31. Our WWT operations in India experience seasonality, and any disruptions or underperformance during seasonal periods could negatively affect our results of operations and financial condition.

Our Indian WWT business segment is subject to seasonal trends and a significant portion of our revenue from WWT business operations is made in the second half of the financial year. To that extent, our Company's standalone India wastewater business is subject to seasonality of revenue. The table below provides details of our revenue (on a standalone basis) from Indian WWT business during the last three fiscals:

Period	Percentage of standalone revenue from operations from Indian WWT business during		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
First half of the financial year	22.50%	26.86%	19.69%
Second half of the financial year	77.50%	73.14%	80.31%
Total	*100.00%*	*100.00%*	*100.00%*
% of Revenue from WWT to Total Revenue from Operations (on Standalone Basis)	98.55%	85.02%	73.72%

This seasonality can result in fluctuations in our financial performance across the year, making us dependent on strong second half of the financial year results to meet our annual targets. If we fail to achieve expected sales or face unexpected disruptions in the second half of the financial year, our overall financial performance and cash flow for the Fiscal in question could be adversely impacted. Any slowdown in demand for environmental technology services or any failure by us to accurately anticipate and prepare for such seasonal fluctuations in revenue or any inefficiencies or disruptions may adversely affect our business, financial condition and results of operations.

32. Our growth may be negatively impacted by macroeconomic factors.

Demand for our technology products and services that we offer is significantly affected by the general level of commercial activity and economic conditions in the regions in which we operate. Our results of operations are affected by the level of urban / industrial activity, which in turn is affected by the macroeconomic conditions in the economy and the industry in which we operate. Any slowdown in the global economy or India's economic growth, or the waste treatment industry in India, could affect the overall business environment and specifically demand for waste treatment technology leading to a decrease in demand for our technologies for prolonged periods. For details of fluctuations in demand in the wastewater treatment and solid waste treatment industry in India in recent years, see "*Industry Overview*" on page 181.

Such macroeconomic events could lead to a reduction in the demand for our technologies. We may also experience more competitive pricing pressure during periods of economic downturn. We cannot assure you that such macroeconomic and other factors, which are beyond our control would not significantly affect demand for our technological solutions. Consequently, the occurrence of such events could have an adverse effect on our business, results of operations, cash flows and financial condition.

33. The assets we operate, and the handling and treatment of waste expose us to safety, operational and other risks, including the risk of personal injury to our employees or third parties. Failure to limit our exposure to such risks may subject us to significant disruptions in our business, legal and regulatory actions, costs, and liabilities and could have an adverse impact on our results of operations.

Our business requires our team members to handle the wastes which may be infectious or hazardous to life and property. Our operations include activities that could be hazardous to the health of our employees which include risks such as infections, exposition to harmful waste materials, equipment malfunctions, work accidents, fire or explosion, including hazards that may cause injury and loss of life, environmental damage. The provision of environmental technology and services, including the operation of our facilities and other waste-related assets, involves risks. While we try to handle such materials with care and in accordance with accepted and safe methods, the possibility of accidents, leaks, and spills (including those caused by natural disasters) always exists. These risks may present possible exposure to contaminated or infectious waste or other hazardous materials include, among others, the risk of equipment defects, damaged or leaking containers, improper storage of waste, placement of prohibited materials into the waste stream, malfunctions and failures, improper use of dangerous equipment, the release of hazardous substances, fire and explosion, any of which could result in environmental liability, personal injury, loss of life, business interruption or property damage or destruction. While we seek to minimize our exposure to these risks through maintenance, training and compliance programs, any substantial losses could have a material adverse effect on our business, results of operations and financial condition. Further, while we carry liability insurance intended to cover these contingencies, instances may occur that are not insured against or that are inadequately insured against. An uninsured or underinsured loss could be substantial and could impair our profitability and reduce our liquidity.

While we provide a safe and healthy working environment which is compliant with applicable occupational health and safety norms, we may encounter accidents at our facilities. Any such accident may result in personal injury to our employees, or the labour deployed at our facilities, destruction of property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/or imposition of liabilities. Additionally, the occurrence of any of these risks may also adversely affect public perception about our operations, the perception of our suppliers and clients and the morale and attrition rate of our employees. These liabilities and costs could have a material adverse effect on our business, results of operations and financial condition. We have encountered incidents in the past where labourers have met with accidents, and there can be no assurance that such incidents may not occur in the future. However, any such future accident may result in litigation, the outcome of which is difficult to assess or quantify, the cost to defend such litigation can be significant and our insurance may not be sufficient to provide complete coverage. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, results of operations, financial condition, cash flows and future prospects. We may be unable to mitigate these risks through contractual limitations of liability, indemnities and insurance. Losses may arise from risks not addressed in our agreements or insurance policies, or we may be unable to obtain adequate insurance against some risks on commercially reasonable terms.

The occurrence of any hazards could result in a suspension of operations and the imposition of civil or criminal liabilities. We may also face claims and litigation, in India or overseas, filed on behalf of persons alleging injury predominantly as a result of occupational exposure to hazards at our facilities. If these claims and lawsuits, individually or in the aggregate, are resolved against us, our business, results of operations and financial condition could be adversely affected.

34. In the event we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, including due to any default on the part of the owners of the properties we lease, our business, cash flows and results of operations may be adversely affected.

We are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business, including without limitation, consent to operate, shops and establishment registrations, employee state insurance registration, employees provident fund registration and registration for professional tax. For details of approvals relating to our business and operations, see "*Government and Other Approvals*" on page 483. Any failure to obtain such licenses and approvals in a timely manner or at all could result in the disruption of our business operations.

Certain of these permits and approvals are valid for a certain period and are required to be renewed at regular intervals in accordance with the timelines prescribed under the relevant statutes or as may be provided under their respective terms. We need to apply for certain such approvals, including the renewal of approvals that expire from time to time, in the ordinary course of our business. To foster our growth, our Company may also consider entering into different jurisdictions wherein we may be required to fulfil the state-wise respective compliances, laws and regulatory norms which differ from state to state. While we have obtained a number of approvals required for our operations, we have filed an application dated August 22, 2024 for issuance of factory license under the provisions of the Factories Act, 1948 for our Pune Facility - II, and such license and certificate are currently awaited. In addition, we may need to apply for more approvals, including the renewal of approvals which may expire from time to time, and approvals in the ordinary course of business. For further details on pending approvals, see "*Government and Other Approvals*" on page 483.

We cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all. If we fail to obtain or retain any of these approvals or licenses or renewals thereof, in a timely manner or at all, our business may be adversely affected. Further, the approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Furthermore, any unfavorable changes in or interpretations of existing laws, or the promulgation of new laws, governing our business and operations could require us to obtain additional licenses and approvals. Regulatory authorities could also impose notices and other orders on us if we fail to obtain any required licenses or approvals. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

35. We have certain contingent liabilities which, if materialized, may adversely affect our financial condition.

As of June 30, 2024, our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets were as follows:

(in ₹ million)

S. No.	Particulars	As on June 30, 2024
1.	Customs Notice has been received for period FY 2008-09 to FY 2012-13	0.21

[#]*Customs notice has been received for the period FY 2008-09 to FY 2012-13*

We have not made provisions for the above contingent liabilities, as they are either possible obligations whose existence will be confirmed only by future uncertain events outside the control of our Company or are present obligations where the outflow of economic resources may not be probable or cannot be measured reliably. If a significant portion of these liabilities materialize, we may have to fulfil our payment obligations, which could have an adverse effect on our business, financial condition and results of operations. For further information on our contingent liabilities, see "*Restated Consolidated Financial Information - Note 50 - Contingent liabilities and commitments*" on page 401.

36. Our Statutory Auditors have included certain remarks in their examination report on the Restated Consolidated Financial Information. There can be no assurance that any similar remarks will not form part of our financial statements for the future fiscal periods.

Our Statutory Auditors have included the following remarks (not in the nature of qualifications) in other legal & regulatory reporting in their examination report on the Restated Consolidated Financial Information for the financial year ended March 31, 2024:

Financial year ended March 31, 2024

"*Reporting under para vi. states that "…the Holding Company, its subsidiary companies and associate company incorporated in India has used accounting software (Tally Prime Edit Log) for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility. However, the said feature of recording audit trail (edit log) facility was enabled w.e.f. following dates:*
i. In case of holding company and 2 of its subsidiaries, the said feature is enabled w.e.f from 17th April 2023,
ii. In case of 1 of its subsidiary, the said feature is enabled w.e.f from 18th April 2023,
iii. In case of 1 of its subsidiary, the said feature is enabled w.e.f from 13th June 2023,
iv. In case of 2 of its subsidiary, the said feature is not enabled throughout the year.

We have been informed that in Tally Prime Edit Log, once edit log functionality is enabled even admin user has no right to disable the same.

Based on our procedures performed for the accounting software, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March 2024."

Further, our Statutory Auditors have included the following remarks (not in the nature of qualifications) in CARO Reporting of Independent Auditors Report on Standalone Financial Statement for financial year ended March 31, 2024:

"*Reporting under clause (iii) (c) states that "…the terms of repayment of loans and advances in the nature of loans granted by the Company do not stipulate any repayment schedule. Accordingly, we are unable to comment on the regularity of repayment of principal & payment of interest.*"

Additionally, our Statutory Auditors have included the following remarks (not in the nature of qualifications) in CARO Reporting of Independent Auditors Report on Standalone Financial Statement for financial year ended March 31, 2023:

"*Reporting under clause (iii) (c) states that "…the terms of repayment of loans and advances in the nature of loans granted by the Company do not stipulate any repayment schedule. Accordingly, we are unable to comment on the regularity of repayment of principal & payment of interest.*"

The opinion of our Statutory Auditors is not modified in respect of these matter. While these remarks do not require any adjustments to the Restated Consolidated Financial Information, there can be no assurance that any similar remarks will not form part of our financial statements for the future fiscal periods, which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected.

37. We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures could have a material adverse effect on our business growth and prospects, financial condition and results of operations. Further, if our competitors are able to improve the efficiency of their manufacturing processes and thereby offer their products at lower prices, our revenues and profitability may decline.

We are required to compete both in the domestic and international markets. We may be unable to compete with the prices and products offered by our competitors (local as well as international). We may have to compete with new players in India and abroad who enter the market and are able to offer competing products. Our competitors may have access to greater financial, manufacturing, research and development, marketing, distribution and other resources and more experience in obtaining the relevant regulatory approvals. Increasing competition may result in pricing pressures and decreasing profit margins or loss of market share or failure to improve our market position, any of which could substantially harm our business and results of operations. For instance, companies with larger financial base may set up water waste management plants or sewage treatment plants with better treatment capacity than us, allowing them higher scale of economies which may result into pricing pressures on our Company.

We cannot assure you that we shall be able to compete with our existing as well as future competitors, as well as the price and services offered by them. In addition, our customers may enter into contract manufacturing arrangements with third parties, for products that they are presently purchasing from us. Our failure to successfully face existing and future competition may have an adverse impact on our business, growth and development.

38. Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by Frost & Sullivan (India) Private Limited ("F&S"), exclusively commissioned and paid for by our Company for the purpose of this Offer.

We have commissioned and paid for a report titled "*Industry Report on Indian STP, MSW Management, and Biogas Market*" dated November 30, 2024, which is exclusively prepared for the purposes of the Offer and issued by F&S and is commissioned and paid for by our Company, which has been used for industry related data that has been disclosed in this Draft Red Herring Prospectus. Our Company, our Promoters and our Directors are not related to F&S. F&S uses certain methodologies for market sizing and forecasting. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. F&S has advised that while it has taken reasonable care to ensure the accuracy and completeness of the F&S Report, it believes that the F&S Report presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive, and that the results that can be or are derived from these findings are based on certain assumptions and parameters / conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged. Further, the F&S Report is not a recommendation to invest / disinvest in any company covered in the F&S Report. Accordingly, prospective investors should not base their investment decision solely on the information in the F&S Report.

The commissioned F&S Report also highlights certain industry and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that F&S' assumptions are correct and will not change and, accordingly, our position in the market may differ, favourably or unfavourably, from that presented in this Draft Red Herring Prospectus.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the F&S Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the F&S Report before making any investment decision regarding the Offer.

39. The information included in this Draft Red Herring Prospectus in relation to our listed peers may not be comparable and it may be difficult to benchmark and evaluate our financial performance against other operators who operate in the same industry as us.

While our listed peers (Thermax Limited, Praj Industries Limited and Ion Exchange (India) Limited) may have similar service offerings, our business may be different in terms of differing scale, business models, product verticals serviced or focus areas or geographical presence. Therefore, investors must rely on their own examination of our accounting ratios, non-GAAP measures and key performance indicators relating to our financial and operating performance for the purposes of investment in this Offer. We cannot assure you that our non-GAAP measures, key performance indicators and accounting ratios will improve in the future. An inability to improve or maintain our non-GAAP measures, key performance indicators and accounting ratios may adversely affect the market price of the Equity Shares. Moreover, there are no standard methodologies in the industry for the calculation of such indicators, measures and metrics. For further details, please see "*Basis for Offer Price*" on page 155.

Our competitive position may differ from that presented in this Draft Red Herring Prospectus and any valuation exercise undertaken for the purposes of the Offer by our Company, in consultation with the BRLMs, and may not be based on a benchmark with our listed industry peers. The relevant parameters based on which the Price Band would be determined, shall be disclosed in the advertisement that would be issued for publication of the Price Band. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, announcements by us or our competitors of significant acquisitions, strategic alliances, other external conditions or situations, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

40. Our Promoters, Sandeep Sudhakar Asolkar and Priya Sandeep Asolkar have provided personal guarantees for the lending facilities availed by our Company, our Subsidiary, Pentagen Biofuels Private Limited ("PBPL") and our Promoter Group entity, Asolkar Tradecraft Private Limited ("ATPL"). The Promoters may provide additional guarantees in the future and any failure or default in repaying such loans could trigger repayment obligations on our Promoters, which may also impact our Promoters' ability to effectively service their obligations as our Promoters and thereby, adversely impact our business and operations.

Our Promoter, Sandeep Sudhakar Asolkar has provided personal guarantees for the loan facilities availed by our Company, and our Subsidiary, PBPL**.** Additionally, our Promoters, Sandeep Sudhakar Asolkar and Priya Sandeep Asolkar have provided personal guarantees for ATPL, our Promoter Group entity, in connection with the issuance of non-convertible debentures carried out by ATPL and may continue to do so in the future (our Company, PBPL and ATPL collectively as "**Borrower"**). For further details regarding the guarantees given by our Promoters, please refer "*History and Certain Corporate Matters – Guarantees given by our Promoter Selling Shareholders*" on page 291.

Any default or failure by the Borrowers to repay the loans in a timely manner or at all, could trigger repayment obligations on the part of our Promoters who have provided personal guarantees in respect of such loans. This, in turn, could have an impact on their ability to effectively service their obligations as Promoters of our Company, thereby having an adverse effect on our business, results of operation and financial condition.

41. Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition, cash flows and results of operations.

We could be held liable for accidents that occur at our manufacturing units or otherwise arise out of our operations. In the event of personal injuries, fires or other accidents suffered by our employees or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries. Our operational, owned and leased or licensed, properties are insured with independent third parties in respect of buildings and equipment covering losses due to fire, burglary, terrorism, earthquake and allied perils. Our key insurance policies cover general liability, property damage, transport and environmental risk. We have also obtained vehicle insurance in respect of the vehicles owned by our Company. The following table sets forth details of our insurance coverage on our tangible fixed assets as on June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022:

(in ₹ million, unless specified otherwise)

Particulars	As of			
	June 30, 2024	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Amount of tangible fixed assets	512.67	535.12	320.05	247.46
Amount of insurance obtained	1,557.06	1,432.75	1,220.14	1,015.62
Insurance coverage (%)	303.72	267.74	381.24	410.42

** Does not include value of free hold land and intangible assets.*
 # Sum insured with respect to assets is based on market price in case of immovable property & at replacement cost in case of vehicles.

Set forth below are the details of the insurance losses experienced by our Company, in the last three financial years and the three months ended June 30, 2024:

Financial period to which the event of loss pertains	Insurance cover for the said loss	Location	Details of loss	Date of Claim	Loss incurred (in ₹ million)	Claim received (in ₹ million)
Three months ended June 30, 2024	No claim	-	-	-	-	-
FY 2023-24	₹250.00 million (Enhanced to ₹350.00 million)	Panvel warehouse	Flood	July 20, 2023	1.97	1.37
FY 2022-23	No Claim	-	-	-	-	-
FY 2021-22	₹150.00 million per transit (Total ₹500.00 million)	Goa	In Transit	October 30, 2021	1.16	1.04

There are possible losses, which we may not have insured against or covered or wherein the insurance cover in relation to the same may not be adequate. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our business, financial condition, results of operations and cash flows. For details, see "*Our Business – Insurance*" on page 278.

Our policies are subject to standard limitations that apply to the length of the interruption covered and the maximum amount that can be claimed. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, insurance policies. We cannot assure you that the operation of our business will not be affected by any of the risks and hazards listed above. In addition, our insurance may not provide adequate coverage in certain circumstances including losses arising due to third-party claims that are either not covered by insurance or the values of which exceed insurance limits, economic or consequential damages that are outside the scope of insurance coverage and claims that are excluded from coverage. If our arrangements for insurance are not adequate to cover claims, we may be required to make substantial payments and our results of operations, financial condition and cash flows may therefore be adversely affected.

We may not have identified every risk, and further may not be insured against every risk, including operational risks that may occur, and the occurrence of an event that causes losses more than the limits specified in our policies, or losses arising from events or risks not covered by insurance policies or due to the same being inadequate. Any of the above could materially harm our financial condition and future results of operations and cash flows. There can be no assurance that any claims filed will be honoured fully or in a timely fashion under our insurance policies. In addition, we may not be able to renew certain of our insurance policies upon their expiration, either on commercially acceptable terms or at all.

42. Failure or disruption of our IT systems, or cybersecurity breaches or similar disruptions, may adversely affect our business, financial condition, results of operations and prospects.

We rely on our information technology and ERP systems for our operations and their reliability and functionality is critical to our business success. If our IT systems malfunction or experience extended periods of downtime, we may not be able to run our operations safely or efficiently. We are subject to cyber security risks and may incur costs to minimize those risks. Any cybersecurity breaches, such as unauthorized access, accidents, employee errors or malfeasance, computer viruses, computer hackings or other disruptions could compromise the security of our data and infrastructure, thereby exposing such information to unauthorized access by third parties. Techniques used to obtain unauthorized access to, or to sabotage, systems change frequently and generally are not recognized until launched against a target. We may be required to deploy significant capital and other resources to remedy, protect against or alleviate these and related problems, and we may not be able to resolve these problems promptly, or at all. While we have not faced any cybersecurity breaches in the last three years, any security breaches that occur could disrupt our operations, increase our security costs, or expose us to potential losses due to data corruption or information leakage, which could have a material adverse effect on our business, financial condition and results of operations.

We are dependent on the capacity and reliability of the communications, information and technology systems supporting our operations, whether developed, owned and operated by us or by third parties. Operational risks, such as operational errors or interruptions of our data processing systems, whether caused by the failure to prevent or mitigate data losses and other security breaches, or other cyber security threats or attacks, fire or other disaster, power or telecommunications failure, could result in a disruption of our business and/or cause reputational damage, and may have a material adverse effect on our business, financial condition and results of operations. Furthermore, unavailability of, or failure to retain, well-trained employees capable of constantly servicing our IT system, may lead to inefficiencies or disruption of the IT system and consequently our business and operations. We cannot assure you that we will be able to improve our IT systems and upgrade our technology infrastructure at a rate commensurate with the increase in the size and complexity of the operations that we may undertake in the future.

Furthermore, any damage or system failure that causes interruptions or delays in the input, retrieval or transmission of data could disrupt our normal operations and possibly interfere with our ability to undertake projects pursuant to the requirements of our contracts. Should such an interruption or delay occur, we can neither assure you that it will not result in the loss of data or information that is important to our business nor that we will be able to restore our operational capacity within a sufficiently adequate timeframe to avoid disruptions to our business. If our systems malfunction or experience extended periods of downtime, we will not be able to run our operations safely or efficiently. We may suffer losses in revenue, reputation, volume of business, and our business, financial condition and results of operation may be materially and adversely affected.

43. Our failure to keep our technical knowledge confidential could erode our competitive advantage.

We possess extensive technical knowledge about our technologies. Such technical knowledge has been built up through our own experiences and through our research and development. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run.

Certain proprietary knowledge may get leaked, either inadvertently or wilfully, at various stages of the production process. A significant number of our employees have access to confidential design and product information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Although we may seek to enforce non-disclosure agreements in respect of research and development with our key employees, we cannot guarantee that we will be able to successfully enforce such agreements. In the event that the confidential technical information in respect of our processes and products or business becomes available to third parties or to the general public, any competitive advantage we may have over our peers could be harmed. If a competitor is able to reproduce or otherwise capitalise on our technology, it may be difficult, expensive or impossible for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

Further, if our customers' confidential information is misappropriated by us or our employees, our customers may consider us liable for that act and seek damages and compensation from us, in addition, to seeking termination of our engagements with our customers. Assertions of misappropriation of confidential information or the intellectual property of our customers against us, if successful, could have a material adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause us to incur reputational harm and substantial cost.

44. We conduct transactions in foreign currencies and are exposed to risks associated with foreign exchange rate fluctuations.

Although our Company's reporting currency is in Indian Rupees, we transact a significant portion of our business in several other currencies. Our global footprint exposes us to certain currency exchange risks, arising primarily from our import of goods for our operations, and foreign currency receivables. We hedge our foreign exchange exposure through forward contracts. We are exposed to foreign currency risk on the unhedged exposure of foreign currency payables and receivables.

As of June 30, 2024, June 30, 2023, March 31, 2024, March 31, 2023 and March 31, 2022, our total foreign currency exposure (on a consolidated basis) was as follows:

(in ₹ million)

Exposure to currency risk	June 30, 2024	June 30, 2023	March 31, 2024	March 31, 2023	March 31, 2022
Financial Assets					
Net financial assets – USD	31.49	41.41	41.84	41.11	218.29
Net financial assets – Euro	1.61	0.62	0.72	-	-
Net financial assets – Other currencies	0.31	0.05	0.36	-	-
Financial liabilities					
Net financial liabilities – USD	468.97	197.03	775.02	596.35	409.66
Net financial liabilities – Euro	0.34	18.58	1.84	(12.82)	14.27
Net exposure	435.89	173.52	733.93	542.42	205.65

Our consolidated net foreign exchange gains for the three months ended June 30, 2024, June 30, 2023, and for the Fiscals 2024, 2023 and 2022 were as follows:

(in ₹ million)

Particulars	Three months ended June 30, 2024	Three months ended June 30, 2023	March 31, 2024	March 31, 2023	March 31, 2022
Net gain on foreign currency transactions	0.53	0.00^	7.27	9.23	13.64

^ Indicates an amount less than ₹0.01 million.

Depreciation of the Indian Rupee against foreign currencies will generally have a positive effect on our foreign currency receivables, revenues and operating income, and a negative effect on our foreign currency payables and purchases. Similarly, appreciation of the Indian Rupee against foreign currency will generally have a negative effect on our foreign currency receivables and revenues, and a positive effect on our foreign currency payables and purchases. There can be no guarantee that such fluctuations will not adversely affect our results of operations as we continue to expand our sales globally. The realisation of any of these risks could have an adverse effect on our financial condition and results of operations.

45. Our inability to protect or use our intellectual property rights may adversely affect our business. We may also unintentionally infringe upon the intellectual property rights of others, any misappropriation of which could harm our competitive position.

As of the date of this Draft Red Herring Prospectus, our Company has registered three trademarks in India and has additionally applied for the registration of two trademarks in India. Further, we have registered one trademark each in Austria and Vietnam. Further, our Subsidiary, SFC Umwelttechnik GmbH has made applications for two patent registration in Europe. For details, see "*Government and Other Approvals*" and "*Our Business - Intellectual* Property" on pages 483 and 277, respectively. Several of our trademarks have significant brand value and recognition in their respective areas, therefore, our trademarks are significant to our business and operations. There can be no assurance that our brand name or trademarks will not be adversely affected in the future by actions that are beyond our control including client complaints in relation to intellectual property rights infringement, intellectual property infringements or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our reputation, competitive position in India and abroad, business, financial condition, results of operations and cash flows.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights which may force us to alter our offerings. We may also be susceptible to objections and claims from third parties asserting infringement and other related claims. Any such claims raised in the future could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease certain offerings. Further, necessary licenses may not be available to us on satisfactory terms, if at all. Any of the foregoing could have an adverse effect on our business, results of operations, cash flows and financial condition. If claims or actions are adjudicated against us from third parties asserting infringement and other related claims in India and abroad, we may be required to obtain a license, modify our existing technology or cease the use of such technology and design, or use a new non-infringing technology. Such licenses or design modifications can be extremely costly. Further, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, the settlement of which could be costly and time consuming. We may also be liable for any past infringement. Any of the foregoing could adversely affect our business, financial condition, results of operations and cash flows.

Failure to register or renew the registration of any of our registered intellectual properties may affect our right to use such intellectual properties in future or allow others to use our solutions and designs as available in the public domain, without our consent. Further, if we are unable to register our intellectual properties for any reason, including our inability to remove objections to any trademark application, or if any of our unregistered trademarks are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark, and as a result, we may not be able to seek remedies for infringement of those trademarks by third parties, which would cause damage to our business prospects, reputation and goodwill. For more information, see "*Government and Other Approvals – Intellectual Property*" on page 487.

46. Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a downgrade of our rating may restrict our access to capital and thereby adversely affect our business and results of operations.

As of the date of this Draft Red Herring Prospectus, we have received the following credit ratings on our debt and credit facilities.

Financial Year	Agency	Date of credit rating	Credit Rating - Long Term Bank Facilities	Credit Rating - Short Term Bank Facilities
Fiscal 2025	CARE Ratings Ltd.	April 02, 2024	CARE A	CARE A1+
Fiscal 2024	CARE Ratings Ltd.	April 27, 2023	CARE A -	CARE A1
Fiscal 2023	CARE Ratings Ltd.	April 6, 2022	CARE A -	CARE A1
Fiscal 2022	CARE Ratings Ltd.	April 7, 2021	CARE A -	CARE A1

Credit ratings are based on a number of factors, including the financial strength, as well as factors that may not be within our control, such as macroeconomic conditions and the rating agencies' perception of the industries in which we operate and the services we offer. Our credit rating reflects, amongst other things, the rating agency's opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Our inability to obtain such credit rating in a timely manner or any non-availability of credit ratings, or poor ratings, or any downgrade in our ratings may increase borrowing costs and constrain our access to capital and lending markets and, as a result, could adversely affect our business and results of operations. Further, any downgrade in our credit ratings may also trigger an event of default or acceleration of repayment of certain of our borrowings and non-availability of credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements. If any of these risks materialise, it could have a material adverse effect on our business, reputation, results of operations and financial condition.

47. We rely on contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations, cash flows and financial condition.

In order to retain flexibility and control costs, we engage contract labour and also appoint independent contractors who in turn engage on-site contract labour for performance of certain of our operations. The cost of total labour charges for the three months ended June 30, 2024 and June 30, 2023, and for the Fiscals 2024, 2023 and 2022 were ₹1.77 million, ₹3.88 million, ₹17.62 million, ₹7.86 million and ₹4.45 million, respectively. Further, our Company appoints independent contractors who in turn engage a significant number of on-site contract labourers for performance of our business operations. Even for the contract labour engaged by independent contractor, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractor(s). Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the Contract Labor (Regulation and Abolition) Act, 1970, we may be required to absorb a number of such contract labourers as permanent employees. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations, cash flows and financial condition. In the long term, increases in labour costs in India may make us less competitive unless we are able to increase our efficiency and productivity proportionately and we can pass on such costs in the prices that we charge our customers. Any significant increase in our labour costs may have an adverse effect on our business, cash flows, results of operations and financial condition.

48. *We have presented certain supplemental information of our performance and liquidity which is not prepared under or required under Ind AS.*

This Draft Red Herring Prospectus includes our Operating EBITDA, Operating EBITDA Margin, PAT Margin, ROE, ROCE, Net Debt to Equity Ratio and Networth (collectively "**Non-GAAP Measures**") and certain other industry measures related to our operations and financial performance, which are supplemental measures of our performance and liquidity and are not required by, or presented in accordance with, Ind AS, IFRS or U.S. GAAP.

These Non-GAAP Measures and industry measures are not a measurement of our financial performance or liquidity under Ind AS, IFRS or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS or U.S. GAAP. In addition, such Non-GAAP Measures and industry measures are not standardized terms, and may vary from any standard methodology that is applicable across the Indian financial services industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies, and hence a direct comparison of these Non-GAAP Measures and industry measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures and industry measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures and industry measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

49. *We cannot assure payment of dividends on the Equity Shares in the future.*

Our Company has adopted a formal dividend distribution policy on August 14, 2024. While we have in the past declared and paid dividends, our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements and other factors considered relevant by our Directors and Shareholders. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, profitable growth of our Company and specifically profits earned and available for distribution during the relevant fiscal, accumulated reserves including retained earnings past dividend pattern of our Company and the industry, liquidity position of our Company, capital expenditure to be incurred by our Company, accumulated reserves, liquidity position of our Company including its working capital requirements and debt servicing obligations. In addition, our ability to pay dividends may be impacted by a number of factors such as economic environment, changes in the Government policies and regulatory provisions, inflation rates and any other relevant or material factor as may be deemed fit by our Board. Our ability to pay dividends may also be restricted under certain financing arrangements that we may enter into. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future. For details pertaining to our dividend policy, see "*Dividend Policy*" on page 332.

50. *We are exposed to a variety of risks associated with safety, security and crisis management.*

We are committed to ensure the safety and security of our customers, customers' employees, our employees and assets against natural and man-made threats. These include, but are not limited to, exceptional events such as extreme weather, civil or political unrest, violence and terrorism, serious and organized crime, fraud, employee dishonesty, cybercrime, pandemics, fire and day-to-day accidents, incidents, health crises of customers and petty crime which impact the client or employee experience, could cause loss of life, sickness or injury and result in compensation claims, fines from regulatory bodies, litigation and impact our reputation. Serious incidents or a combination of events could escalate into a crisis which, if managed poorly, could further expose us and our brands to significant reputational damage.

Further, the occurrence of events such as accidents or any criminal activity at any of our manufacturing units / waste treatment locations may result in personal injury or loss of life, substantial damage to or destruction of property and equipment resulting in the suspension of operations, and may subject us to legal proceedings resulting in adverse publicity and cause a loss of customer confidence in our business. Such events occurring at any one of our locations may also have an adverse effect on our reputation and may also adversely affect operations of our other locations.

51. We will not receive any proceeds from the Offer for Sale portion.

The Offer includes an offer for sale of up to 10,824,790 Equity Shares by the Selling Shareholders. The proceeds from the Offer for Sale will be paid to the Selling Shareholders and we will not receive any such proceeds. The proceeds from the Offer for Sale will be transferred to each of the Selling Shareholders, in proportion to its respective portion of the Offered Shares transferred by each of them in the Offer for Sale (after deducting applicable Offer-related expenses and taxes) and will not result in any creation of value for us or in respect of your investment in our Company.

52. The objects of the Fresh Issue for which the funds are being raised have not been appraised by any bank or financial institutions. Any variation in the utilization of our Net Proceeds as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior Shareholders' approval.

The proceeds received from the Offer for Sale will not form part of the proceeds from the Fresh Issue. We propose to use the Net Proceeds towards prepayment and/or repayment of all or a portion of certain outstanding borrowings availed by our Company and our Subsidiaries, and funding our working capital requirements, as set forth in "*Objects of the Offer*" section on page 141. The proposed deployment of Net Proceeds has not been appraised by any bank or financial institution or other independent agency and is based on internal management estimates based on current market conditions and historic level of expenditures. We shall appoint a monitoring agency to monitor the Net Proceeds. Further, pursuant to Section 27 of the Companies Act, any variation in the utilization of the Net Proceeds shall be on account of a variety of factors such as our financial condition, business and strategy and external factors such as market conditions and competitive environment, which may not be within the control of our management, would require a special resolution of the Shareholders and the Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects of the Offer, at such price and in such manner in accordance with applicable law. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Our management estimates may differ from the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws, and may have an adverse impact on our business, financial condition, results of operations and cash flows.

Various risks and uncertainties, including those set forth in this "*Risk Factors*" section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business, including delaying the schedule of implementation of projects for which the Net Proceeds are intended for. As a consequence of any increased costs, our actual deployment of funds may be higher than our management estimates, for which we may require additional funding that we may not be able to arrange on commercially acceptable terms, or at all. We may also face delays or incur additional costs due to failure to receive regulatory approvals, technical difficulties, human resource, technological or other resource constraints, or for other unforeseen reasons, events or circumstances. Accordingly, the use of the Net Proceeds to fund our growth and for other purposes identified by our management may not result in actual growth of our business, increased revenue or profitability or an increase in the value of our business and your investment.

53. We may not be able to derive the expected benefits of the deployment of the Net Proceeds, in a timely manner, or at all.

Our Company intends to use the Net Proceeds including for repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company and one of our Subsidiaries. The amount utilized to prepay / repay these loans will, therefore, not be available for investment in our business and will not result in any immediate increase in the value of your investment in our Equity Shares. Further, we cannot ascertain whether such initiatives will result in reduced expenses or have an equivalent monetary impact. Furthermore, a part of the Net Proceeds shall also be used for funding our working capital requirements and general corporate purposes, and our estimates for the proposed expenditure are based on several variables, a significant variation in any one or a combination of which could have an adverse effect on our results of operation and financial condition. The details in this regard have been disclosed in the section entitled "*Objects of the Offer*" beginning on page 141. There can be no assurance that we will be able to derive the expected benefits of the deployment of the Net Proceeds, in a timely manner or at all.

54. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

We propose to utilise the Net Proceeds towards funding the following objects: (a) prepayment of all or a portion of certain outstanding borrowings availed by our Company and its Subsidiary, namely Vasudha Waste Treatment Private Limited; (b) funding our working capital requirements; and (c) general corporate purposes. For details, see "*Objects of the Offer*" on page 141. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. The deployment of the Net Proceeds is based on management estimates, current circumstances of our business, prevailing market conditions and has not been appraised by any bank, financial institution or other independent party. These estimates may be inaccurate, and we may require additional funds to implement the purposes of the Offer. Accordingly, at this stage, we cannot determine with any certainty if we will require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. Any delay in our schedule of implementation may cause us to incur additional costs. Such time and cost overruns may adversely impact our business, financial condition, results of operations and cash flows.

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds or in the terms of any contract as disclosed in this Draft Red Herring Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in our interest. This may restrict our ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of the Net Proceeds, if any, or varying the terms of any contract, which may adversely affect our business and results of operations.

55. Our Subsidiaries, Chavare Engineering Private Limited, Vasudha Waste Treatment Private Limited, Fine Aeration Systems Private Limited and Pentagen Biofuels Private Limited have availed unsecured loans from our Company that may be recalled at any time and the Subsidiaries may not have adequate funds to make timely payments or at all.

Our Subsidiaries, Chavare Engineering Private Limited, Vasudha Waste Treatment Private Limited, Fine Aeration Systems Private Limited and Pentagen Biofuels Private Limited have availed unsecured loans from our Company, aggregating to ₹441.95 million as on June 30, 2024 that are repayable on demand by our Company. Such loans may be recalled by our Company on occurrence of certain events. In the event our Company seeks repayment of any of these loans, or if the relevant Subsidiary is unable to arrange for any such financing arrangements, it would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Any such unexpected demand for repayment may have a material adverse effect on our business, cash flows and financial condition.

56. Our Promoters will continue to retain significant shareholding in our Company after the Offer, which will allow them to exercise influence over us.

After the completion of the Offer, our Promoters will continue to exercise substantial control over our Company and may have interests that are different from those of other Shareholders. Further, the involvement of our Promoters in our operations, including through strategy, direction and customer relationships have been integral to our development and business and the loss of our Promoters may have a material adverse effect on our business and prospects.

Our Promoters will continue to exercise influence over all matters requiring shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our constitutional documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoters. Further, the Promoters' shareholding may limit the ability of a third party to acquire control. The interests of our Promoters could conflict with our Company's interests, your interests or the interests of our other shareholders. There is no assurance that our Promoters will act to resolve any conflicts of interest in our Company's or your favour.

57. Our Directors and Promoters may enter into ventures which are in businesses similar to ours.

The interests of our Directors or Promoters may not align with the interests of our other Shareholders due to their involvement in other ventures which are in businesses similar to ours or that may compete with our business or may benefit from preferential treatments when doing business with our Company. Our Directors, or Promoters, as applicable, may, for business considerations or otherwise, in transactions with other ventures where they may have interest, cause our Company to take actions, or refrain from taking actions, in order to benefit themselves instead of our Company's interests or the interests of its other Shareholders and which may be harmful to our Company's interests or the interests of our other Shareholders, which may materially adversely impact our business, financial condition, results of operations and cash flows.

There can be no assurance that our Promoters or Directors or any company controlled by them will not enter into businesses similar to ours or compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations, cash flows and financial condition.

58. We have entered, and will continue to enter, into related party transactions which may involve conflicts of interest. Further, our Promoters, Directors and Key Managerial Personnel have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.

We have in the past entered into certain related party transactions with our Promoters, Key Managerial Personnel, Directors and our Subsidiaries. Further, our Promoters, Directors and Key Managerial Personnel have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits, and may also be eligible to be allotted ESOPs in the future. For further details in relation to our related party transactions for the three months ended June 30, 2024 and for the Fiscals 2024, 2023 and 2022, see "*Summary of the Offer Document – Summary of Related Party Transactions*" on page 34. For further details in relation to interest of our Directors, and Key Managerial Personnel and Senior Management, see "*Our Management - Interest of Directors*" and "*Our Management - Interest of Key Managerial Personnel and Senior Management*" on pages 308 and 323, respectively.

All such related party transactions for the three months ended June 30, 2024 and for the Fiscals 2024, 2023 and 2022 have been conducted on an arm's length basis and were not prejudicial to our interests. In the future, we may enter into related-party transactions which will be subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, 2013 and the SEBI Listing Regulations, and we cannot assure you that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition, cash flows and results of operations or that we could not have achieved more favorable terms if such transactions had not been entered into with related parties. Such future related-party transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such future transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, cash flows and results of operations.

External Risk Factors

59. The occurrence of natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1, and H1N1 strains of influenza in birds and swine and more recently, the SARS-CoV-2 virus and the monkeypox virus. Another outbreak of any new variant of COVID-19 pandemic such as the new JN.1 variant or future outbreaks of SARS-CoV-2 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

60. Political, economic or other factors that are beyond our control may have an adverse effect on our business, cash flows and results of operations.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our solutions may be adversely affected by an economic downturn in domestic, regional and global economies. Our results of operations are significantly affected by factors influencing the Indian economy. Economic growth in India is affected by various factors including:

- domestic consumption and savings, and prevailing income conditions among consumers and corporations in India;
- any increase in Indian interest rates or inflation;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- balance of trade movements, namely export demand and movements in key imports;
- any downgrading of India's debt rating by a domestic or international rating agency;
- financial instability in financial markets;
- global economic uncertainty and liquidity crisis and volatility in exchange currency rates; and
- other significant regulatory or economic developments in or affecting India or its waste treatment industry.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

To date, we have not experienced any material interruptions in our business operations in connection with these conflicts. We have no way to predict the progress or outcome of the conflict in Ukraine as the conflict, and any resulting government reactions, are rapidly developing and beyond our control. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have a substantial impact on the global economy and our business for an unknown period of time. Any of the abovementioned factors could affect our business, financial condition, cash flows and results of operations.

61. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business and cash flows.

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India to regulate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Central Government notified and brought into force the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations ("**Combination Regulations**") under the Competition Act with effect from June 1, 2011. The Combination Regulations require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India. Additionally, on May 11, 2011, the Competition Commission of India issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the Competition Commission of India has extraterritorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. We do not have any outstanding notices in relation to non-compliance with the Competition Act or the agreements entered into by us.

The Government of India has also introduced the Competition (Amendment) Bill, 2023 in the Lok Sabha on February 8, 2023, which has proposed several amendments to Competition (Amendment) Bill, 2022 introduced in the Lok Sabha in August, 2022 and the Competition Act. These amendments include the introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a "combination", expedited merger review timelines, codification of the lowest standard of "control" and enhanced penalties for providing false information or a failure to provide material information. As these are draft amendments, we cannot ascertain at this stage whether the proposed amendments will come into force in the form suggested or at all, their applicability, partially or at all, in respect of our operations once they come into force, or the extent to which the amendments, if and when they come into force, will result in additional costs for compliance, which in turn may adversely affect our business, results of operations, cash flows and prospects.

However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the Competition Commission of India, or any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission of India or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business and cash flows.

62. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

We cannot predict the impact of any changes in or interpretations of existing, or the promulgation of, new laws, rules, and regulations applicable to us and our business. Unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us, our business, operations, or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and expend resources relating to compliance with such new requirements, which may also require significant management time, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation, or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

63. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other exceptions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If a transfer of shares, which are sought to be transferred, is not in compliance with such requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Rules, investments where the beneficial owner of the equity shares is situated in or is a citizen of a country which shares a land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction / purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or conditions or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 540.

64. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

65. Significant differences exist between Ind AS and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition.

Our Restated Consolidated Financial Information are derived from our audited consolidated financial statements as at and for the three months ended June 30, 2024 and the years ended March 31, 2024, March 31, 2023 and March 31, 2022, prepared in accordance with Ind AS, and all restated in accordance with requirements of Section 26 of Part I of Chapter III of Companies Act, SEBI ICDR Regulations, and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

66. Annualized financial data contained in this Draft Red Herring Prospectus may not reflect our future performance.

We have presented certain data on an annualized basis ("***Annualized Financial Data***") in this Draft Red Herring Prospectus. These calculations do not take into account seasonality factors or any other factor which could impact quarter-on-quarter or period-on-period variations, and may not reflect our actual performance for the period presented. The presentation of Annualized Financial Data are not standard measures under Ind AS and should not be considered in isolation or construed as alternatives to net income / loss, cash flow or any other measure of financial performance or indicators of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. Annualized Financial Data presented herein may not be comparable to similarly titled measures presented by other companies.

67. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.

SEBI and the Stock Exchanges have introduced various pre-emptive surveillance measures in order to enhance market integrity and safeguard the interests of investors, including ASM and GSM. ASM and GSM are imposed on securities of companies based on various objective criteria such as significant variations in price and volume, concentration of certain client accounts as a percentage of combined trading volume, average delivery, securities which witness abnormal price rise not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net worth, price / earnings multiple and market capitalization.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

68. The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchanges.

The determination of the Price Band and discount, if any, shall be based on various factors and assumptions, and will be determined by our Company, in consultation with the Book Running Lead Managers. Furthermore, the Offer Price of the Equity Shares shall be determined by our Company, in consultation with the Book Running Lead Managers through the Book Building Process. These shall be based on numerous factors, including those described under "*Basis for Offer Price*" on page 155, and may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchanges.

The price of our Equity Shares upon listing on the Stock Exchanges will be determined by the market and may be influenced by many factors outside of our control. For further details, see "- *Our Equity Shares have never been publicly traded, and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the current market price of some securities listed pursuant to initial public offerings which were managed by the Book Running Lead Managers in the past, is below their respective issue prices*" on page 81.

69. As a publicly listed company, we will be subject to additional compliance requirements and increased scrutiny. Further, the majority of our Directors are not directors in any listed entities, which may affect our ability to meet such additional compliance requirements.

We are not a publicly listed company and have not historically been subject to increased scrutiny by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. Further, we will need to maintain and improve the effectiveness of our disclosure controls and procedures, and our internal controls over financial reporting, including keeping adequate records of daily transactions. In order to do this, significant resources and management attention will be required. Additionally, our Directors, except for Chandrakant Vallabhaji Gogri and Neha Rajen Gada, are not directors in any listed entities. Consequently, additional management attention may be required to ensure compliance with the requirements associated with publicly listed companies. Further, we may need to hire additional personnel with appropriate experience and technical knowledge to ensure that we meet these additional requirements, which may require us to incur additional expenses. We cannot guarantee that we will be able to hire such personal in a timely or efficient manner.

70. Our Equity Shares have never been publicly traded, and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the current market price of some securities listed pursuant to initial public offerings which were managed by the Book Running Lead Managers in the past, is below their respective issue prices.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market for our Equity Share on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Book Running Lead Managers may be below their respective issue price. For further details, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Book Running Lead Managers*" on page 498. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, the failure of security analysts to cover the Equity Shares after this Offer, or changes in the estimates of our performance by analysts, the activities of competitors and suppliers, future sales of the Equity Shares by our Company or our shareholders, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. We cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Offer Price.

71. The average cost of acquisition of Equity Shares for our Selling Shareholders may be lower than the Offer Price.

The average cost of acquisition of Equity Shares for our Selling Shareholders may be lower than the Offer Price. The details of the average cost of acquisition of Equity Shares held by our Selling Shareholders as at the date of this Draft Red Herring Prospectus is set out below:

Name	**Type of Selling Shareholder**	**Number of Equity Shares held**	**Average Cost of Acquisition per Equity Share (in ₹) ***
Sandeep Sudhakar Asolkar	Promoter Selling Shareholder	1,35,00,000	0.44
Sandeep Sudhakar Asolkar jointly with Priya Sandeep Asolkar	Promoter Selling Shareholder	1,80,85,470	36.72
Saketchandrasingh Pratapsingh Dhandoriya	Promoter Selling Shareholder	84,34,125	36.72
Chandrakant Vallabhaji Gogri jointly with Jaya Chandrakant Gogri	Other Selling Shareholder	8,50,875	43.47
Jaya Chandrakant Gogri jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala	Other Selling Shareholder	57,49,350	52.61
Parindu Bansilal Gogri Trust	Other Selling Shareholder	1,40,445	36.72
Jayshree Harit Shah jointly with Harit Paragji Shah	Other Selling Shareholder	4,68,750	42.85
Sandeep Sambhaji Parab	Other Selling Shareholder	45,92,715	36.72
Rajesh Kesavan Nambisan	Other Selling Shareholder	45,92,715	36.72
Kumaraguru Madurakavi	Other Selling Shareholder	45,92,715	36.72
Sarvesh Kumar Garg	Other Selling Shareholder	55,27,215	36.72
Veera Veera Satyanarayana Yannamani	Other Selling Shareholder	21,43,860	36.72
Sagar Mahesh Tanna	Other Selling Shareholder	75,000	47.93
Jyoti Subodh Sapre	Other Selling Shareholder	34,12,005	36.72

Note: As certified by M I Shah and Co, pursuant to their certificate dated December 2, 2024.

For more details regarding weighted average cost of acquisition of Equity Shares by our Selling Shareholders in our Company, see "*Summary of the Offer Document*" on page 29.

72. Our Company has issued Equity Shares during the preceding one year at a price that may be below the Offer Price.

In the preceding one year from the date of this Draft Red Herring Prospectus, our Company has issued Equity Shares at a price that may be lower than the Offer Price, through an allotment of Equity Shares on September 5, 2024, pursuant to a bonus issue, as disclosed in '*Capital Structure - Notes to the Capital Structure – Equity Share capital history of our Company*' on page 104. The price at which Equity Shares have been issued by our Company in the preceding one year is not indicative of the price at which they will be issued or traded after listing. For details on such allotments, see "*Capital Structure*" on page 103.

73. Investors may be subject to Indian taxes applicable on income arising from distribution of dividend and sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. Investors may be subject to payment of long-term or short-term capital gains tax in India, in addition to payment of Securities Transaction Tax ("**STT**"), on the sale of any Equity Shares held for more or less than 12 months immediately preceding the date of transfer. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose a tax on capital gains arising from the sale of shares of an Indian company.

In terms of the Finance Act, 2018, with effect from April 1, 2018, taxes payable by an assessee on the capital gains arising from transfer of long-term capital assets (introduced as Section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 12.5% (plus applicable surcharge and cess), where the long-term capital gains exceed ₹125,000, subject to certain exceptions in case of resident individuals and Hindu Undivided Families. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Under the Finance Act 2020, any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

74. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Investors are not permitted to withdraw their Bids after Bid / Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. However, Retail Individual Investors can revise their Bids during the Bid / Offer Period and withdraw their Bids until Bid / Offer Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Offer within such period as may be prescribed under applicable law, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

75. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution. However, if the laws of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in our Company would be reduced.

76. Future issuances or sales of Equity Shares, or convertible securities or other equity-linked securities could adversely affect the trading price of the Equity Shares.

Our future issuances of Equity Shares, convertible securities or securities linked to the Equity Shares by us (including under employee stock option plans) or the disposal of Equity Shares by our Promoter or any of our other principal shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India, may significantly affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber the Equity Shares. Any future issuances could also dilute the value of your investment in our Company.

77. Fluctuation in the exchange rate of the Rupee and other currencies could have an adverse effect on the value of our Equity Shares, independent of our operating results.

Subject to requisite approvals, on listing, our Equity Shares will be quoted in Rupees on the Stock Exchanges. Any dividends, if declared, in respect of our Equity Shares will be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to such investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the net proceeds received by shareholders.

The exchange rate of the Rupee has changed substantially in the last two decades and could fluctuate substantially in the future, which may have a material adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

78. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.

Subject to requisite approvals, the Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately two Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods. For further details, see *"Offer Procedure"* on page 518.

SECTION IV – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer of Equity Shares[(1)]	Up to [●] Equity Shares of face value of ₹2 each, aggregating up to ₹[●] million
of which:	
(i) Fresh Issue [(1)^]	Up to [●] Equity Shares of face value of ₹2 each, aggregating up to ₹1,850.00 million
(ii) Offer for Sale [(2)]	Up to 10,824,790 Equity Shares of face value of ₹2 each, aggregating up to ₹[●] million
Including	
Employee Reservation Portion [(3)(4)]	Up to [●] Equity Shares of face value of ₹2 each, aggregating up to ₹[●] million
Net Offer	Up to [●] Equity Shares of face value of ₹2 each, aggregating up to ₹[●] million
The Net Offer comprises of:	
A) QIB Portion [(5)(6)]	Not more than [●] Equity Shares of face value of ₹2 each
of which:	
(i) Anchor Investor Portion	Up to [●] Equity Shares of face value of ₹2 each
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares of face value of ₹2 each
of which:	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares of face value of ₹2 each
(b) Balance of the Net QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹2 each
B) Non-Institutional Portion [(7)(8)(9)]	Not less than [●] Equity Shares of face value of ₹2 each
of which:	
(i) One-third of the Non-Institutional Portion available for allocation to Non-Institutional Bidders with a Bid Amount of more than ₹0.20 million and up to ₹1.00 million	[●] Equity Shares of face value of ₹2 each
(ii) Two-third of the Non-Institutional Portion available for allocation to Non-Institutional Bidders with a Bid Amount of more than ₹1.00 million	[●] Equity Shares of face value of ₹2 each
C) Retail Portion [(7)(9)]	Not less than [●] Equity Shares of face value of ₹2 each
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	93,411,270 Equity Shares of face value of ₹2 each
Equity Shares outstanding after the Offer	[●] Equity Shares of face value of ₹2 each
Use of Net Proceeds	See "*Objects of the Offer*" on page 141 for information on the use of proceeds arising from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

Notes:

^ *Our Company, in consultation with the BRLMs, may consider a further issue of specified securities as may be permitted under applicable law, at its discretion, aggregating up to ₹370.00 million (the "**Pre-IPO Placement**"), prior to the filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

(1) *The Offer has been authorized by a resolution of our Board dated August 14, 2024 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated September 5, 2024. Further, our Board has taken on record the consent of the Selling Shareholders for participation in the Offer for Sale pursuant to its resolution dated November 28, 2024. The Offer shall be made in accordance with Rule 19(2)(b) of the SCRR.*

(2) Each of the Selling Shareholders, severally and not jointly, confirms that their respective portion of the Offered Shares have been held for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus and are eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. Each Selling Shareholder has, severally and not jointly, consented for the sale of its respective portion of the Offered Shares in the Offer for Sale. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 489.

(3) The initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million (net of Employee Discount, if any), however, an Eligible Employee may submit a Bid for a maximum Bid Amount of ₹0.50 million (net of Employee Discount, if any) under the Employee Reservation Portion. Only in the event of an undersubscription in the Employee Reservation Portion, the unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹0.20 million (net of Employee Discount, if any), subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million (net of Employee Discount, if any). The unsubscribed portion if any, in the Employee Reservation Portion (after allocation up to ₹0.50 million), shall be added back to the Net Offer. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. Further, an Eligible Employee bidding in the Employee Reservation Portion can also Bid under the Net Offer and such Bids will not be treated as multiple Bids.

(4) Our Company, in consultation with the BRLMs, may offer an Employee Discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share), which shall be announced at least two Working Days prior to the Bid / Offer Opening Date.

(5) Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" on page 518.

(6) Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange subject to applicable laws. In the event of an under-subscription in the Offer, the Allotment for valid Bids will be made in the following order: (i) in the first instance, towards subscription for such number of Equity Shares comprising 90% of the Fresh Issue, or such other number as required under applicable laws, will be Allotted; (ii) if there remain any balance valid Bids received in the Offer, then first towards all the Offered Shares on a proportionate basis will be Allotted; and (iii) once Allotment has been made for valid Bids as per (i) and (ii) above, any balance valid Bids will thereafter be Allotted towards the remaining 10% of the Fresh Issue.

(7) Allocation to all categories, except Anchor Investors, if any, Non-Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to each Non-Institutional Bidders shall not be less than ₹0.20 million, subject to the availability of Equity Shares in Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the SEBI ICDR Regulations. For details, see "Offer Procedure" on page 518.

(8) The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allocation to each Non-Institutional Bidder shall not be less than the applicable minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis.

(9) SEBI through its SEBI ICDR Master Circular and circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹0.50 million shall use UPI. UPI Bidders using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For details, including in relation to grounds for rejection of Bids, refer to "*Offer Structure*" and "*Offer Procedure*" on pages 513 and 518, respectively. For details of the terms of the Offer, see "*Terms of the Offer*" on page 506.

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our Restated Consolidated Financial Information as at and for the three-months periods ended June 30, 2024 and June 30, 2023 and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022. The summary financial information presented below should be read in conjunction with "Restated Consolidated Financial Information", including the notes and annexures thereto, on page 334 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 447.

Summary derived from our Restated Consolidated Financial Information

Restated Consolidated Balance Sheet

(in ₹ million, unless otherwise specified)

Particulars	As at				
	June 30, 2024	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
ASSETS					
Non-current assets					
Property, plant and equipment	588.64	537.89	611.09	381.18	308.60
Right-of-use asset	120.15	23.19	128.46	24.13	11.25
Capital Work-in-Progress	99.41	-	67.33	-	-
Investment property	143.04	182.67	144.80	184.91	242.53
Goodwill	28.08	28.08	28.08	28.08	28.08
Intangible Asset	113.01	0.94	127.20	1.38	0.65
Financial assets					
(i) Investments	51.49	373.11	48.69	547.90	493.32
(ii) Loans	80.00	-	80.00	61.61	2.68
(iii) Trade Receivables	200.68	192.47	199.20	184.13	117.26
(iv) Other financial assets	159.51	490.17	159.60	263.99	246.95
Deferred tax assets (Net)	91.10	77.84	87.46	70.33	40.67
Income tax assets (Net)	65.40	28.39	30.97	20.07	7.76
Other Non - Current Assets	75.47	4.41	63.29	4.38	3.12
Total Non-Current Assets	**1,815.98**	**1,939.16**	**1,776.18**	**1,772.09**	**1,502.86**
Current assets					
Inventories	1,097.72	837.37	1,084.08	738.08	458.00
Financial assets					
(i) Loans	301.44	63.30	201.98	20.14	85.83
(ii) Trade receivables	2,423.63	1,578.85	3,745.93	2,198.25	1,685.85
(iii) Cash and cash equivalents	155.56	92.93	77.32	226.48	264.17
(iv) Other Bank Balances	1,624.06	1,290.49	1,808.74	1,020.75	915.62
(v) Other Financial Asset	151.22	25.01	141.46	8.61	39.99
Other Current Assets	250.86	136.08	222.42	415.70	238.80
Total Current Assets	**6,004.49**	**4,024.03**	**7,281.93**	**4,628.01**	**3,688.26**
Total Assets	**7,820.48**	**5,963.20**	**9,058.11**	**6,400.11**	**5,191.12**
EQUITY AND LIABILITIES					
Equity					
Equity share capital	62.27	62.27	62.27	62.27	62.27
Other equity	5,205.43	3,937.38	5,280.68	3,891.89	3,225.97
Total equity attributable to the owners of the Company	**5,267.71**	**3,999.65**	**5,342.96**	**3,954.16**	**3,288.24**
Non Controlling Interests	280.53	100.95	268.50	109.98	99.92
Total Equity	**5,548.24**	**4,100.60**	**5,611.45**	**4,064.14**	**3,388.17**
Liabilities					
Non-current liabilities					
Financial liabilities					
(i) Borrowings	567.33	3.90	461.05	3.90	6.54
(ii) Lease liabilities	97.36	15.17	104.82	13.71	7.92
Provisions	62.18	74.05	62.46	70.86	90.92
Deferred tax liabilities (Net)	85.23	77.87	83.15	77.02	55.19
Total non-current liabilities	**812.09**	**170.99**	**711.49**	**165.49**	**160.56**

Particulars	As at				
	June 30, 2024	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Current liabilities					
Financial liabilities					
(i) Borrowings	301.89	841.43	845.62	460.18	373.26
(ii) Lease liabilities	28.84	9.96	28.02	11.68	3.93
(iii) Trade payables					
Total outstanding dues of micro and small enterprises	123.95	143.46	217.40	164.02	127.76
Total outstanding dues of creditors other than micro and small enterprises	570.44	418.61	889.74	913.70	677.18
(iv) Other financial liabilities	83.11	43.21	230.16	84.31	52.43
Other current liabilities	245.14	221.77	422.21	533.55	411.37
Provisions	1.44	3.48	1.00	0.81	0.66
Current tax liabilities	105.32	9.69	101.00	2.24	(4.21)
Total current liabilities	**1,460.15**	**1,691.61**	**2,735.17**	**2,170.48**	**1,642.39**
Total liabilities	**2,272.24**	**1,862.60**	**3,446.66**	**2,335.96**	**1,802.95**
Total equity and liabilities	**7,820.48**	**5,963.20**	**9,058.11**	**6,400.11**	**5,191.12**

Restated Consolidated Statement of Profit & Loss

(in ₹ million, unless otherwise specified)

Particulars	For the three months period ended June 30, 2024	For the three months period ended June 30, 2023	For the year ended		
			March 31, 2024	March 31, 2023	March 31, 2022
Income					
Revenue from operations	940.91	705.39	6,583.92	5,196.86	4,967.34
Other income	72.24	20.88	190.71	113.78	142.76
Impairment gain on financial assets	0.29	-	1.79	-	28.87
Total income	**1,013.45**	**726.27**	**6,776.41**	**5,310.64**	**5,138.97**
Expenses					
Purchases of Stock-in-trade	107.14	240.91	2,062.82	2,517.15	2,585.27
Cost of Material Consumed	301.63	232.92	1,221.90	682.85	554.37
Project Cost	28.79	50.01	261.66	15.45	1.97
Changes in inventories	43.11	(66.72)	(162.69)	(198.70)	(78.92)
Employee benefits expense	182.46	125.97	600.00	494.73	437.71
Finance costs	30.00	8.23	88.26	36.04	39.22
Depreciation and amortization expense	42.81	18.53	124.58	59.08	49.32
Impairment loss on financial assets	0.24	0.34	2.78	4.24	-
Other expenses	184.03	87.54	666.69	440.43	407.78
Total expenses	**920.23**	**697.76**	**4,866.01**	**4,051.26**	**3,996.73**
Profit before share of profit of joint ventures and associate	**93.22**	**28.51**	**1,910.40**	**1,259.38**	**1,142.24**
Add: Share of profit of joint ventures and associate	2.80	15.51	24.06	13.13	27.65
Profit before tax	**96.01**	**44.02**	**1,934.47**	**1,272.51**	**1,169.90**
Tax expense					
Current tax	33.54	23.89	505.46	332.24	288.33
Deferred tax	(1.56)	(6.67)	(11.01)	(7.82)	29.96
MAT Credit	(0.98)	-	(1.72)	-	-
Total tax expense	**31.01**	**17.22**	**492.74**	**324.42**	**318.29**
Profit after Tax	**65.01**	**26.80**	**1,441.73**	**948.09**	**851.60**
Profit for the year attributable to:					
- Owners of the group	54.40	38.36	1,416.07	938.81	838.49
- Non-controlling interests	10.61	(11.56)	25.66	9.28	13.11
Other comprehensive income (OCI)					
Items that will not be subsequently reclassified to profit or loss					
Remeasurements of the defined benefit liabilities / asset	(1.85)	(4.50)	(5.11)	(7.30)	(1.52)
Income taxes related to items that will not be reclassified to profit or loss	0.62	1.14	1.33	1.87	0.39
Items that may be reclassified to profit or loss					
Exchange differences on translating the financial statements of foreign operations	(0.04)	10.54	9.66	2.11	0.00^
Total other comprehensive income	**(1.28)**	**7.18**	**5.88**	**(3.32)**	**(1.13)**
Other comprehensive income for the year attributable to:					
- Owners of the group	(1.28)	7.17	7.11	(3.62)	(1.03)
- Non-controlling interests	-	0.01	(1.23)	0.29	(0.09)
Total comprehensive income for the year	**63.73**	**33.98**	**1,447.61**	**944.76**	**850.48**
Total comprehensive income for the year					

Particulars	For the three months period ended June 30, 2024	For the three months period ended June 30, 2023	For the year ended		
			March 31, 2024	March 31, 2023	March 31, 2022
attributable to:					
- Owners of the group	53.12	45.53	1,423.18	935.19	837.46
- Non-controlling interests	10.61	(11.55)	24.43	9.57	13.02
Earnings per Equity Share of face value of ₹2 each fully paid up (Post Split and Bonus)					
Basic earnings per share (₹) (not annualised for June 30, 2024, and June 30, 2023)	0.58	0.41	15.16	10.05	8.98
Diluted earnings per share (₹) (not annualised for June 30, 2024, and June 30, 2023)	0.58	0.41	15.16	10.05	8.98

^*Represents value less than ₹0.01 million*

Restated statement of cash flows

(in ₹ million, unless otherwise specified)

Particulars	For the three months period ended June 30, 2024	For the three months period ended June 30, 2023	For the year ended		
			March 31, 2024	March 31, 2023	March 31, 2022
Cash flows from operating activities					
Profit for the year before tax	96.01	44.02	1,934.47	1,272.51	1,169.90
Adjustments for:					
Depreciation and amortization expenses	42.81	18.53	124.58	59.08	49.32
Finance costs	29.93	8.23	87.76	36.04	33.19
Interest income on fixed deposit	(13.31)	(4.07)	(109.65)	(60.73)	(23.87)
Interest income on loans given	(9.87)	(1.54)	(3.19)	(4.80)	(41.28)
Bad debts written off	0.46	-	10.09	4.00	35.71
Impairment gain / loss on financial asset	(0.04)	0.34	1.00	4.24	(28.87)
Net (gain) / loss on fair valuation of Mutual Funds	-	(11.72)	(11.72)	(4.22)	4.50
Net (gain) / loss of sale of Fixed Assets	(36.08)	-	(16.42)	(1.11)	(10.64)
Net (gain) / loss of sale of Investment Property	-	-	(16.63)	(19.91)	(30.54)
Share of profit of the Associate Companies (Net)	(2.80)	(15.51)	(24.06)	(13.13)	(27.65)
Operating profit before working capital changes	**107.11**	**38.30**	**1,976.22**	**1,271.97**	**1,129.77**
Working capital adjustments:					
(Decrease) / increase in other current liabilities	(177.08)	(311.78)	(111.33)	122.17	(69.32)
(Decrease) / increase in trade payables	(412.74)	(515.47)	29.43	272.96	151.23
(Decrease) / increase in other financial liabilities	(84.93)	(40.75)	83.81	31.87	(163.91)
(Decrease) / increase in provisions	(1.08)	2.51	(11.99)	(25.35)	25.29
Decrease / (increase) in inventories	(13.64)	(99.29)	(345.99)	(280.09)	(54.19)
Decrease / (increase) in trade receivables	1,320.37	621.57	(1,561.74)	(585.17)	(770.95)
Decrease / (increase) in other financial assets	(35.88)	(19.10)	(153.74)	29.50	58.33
Decrease / (increase) in other current assets	(28.44)	279.63	193.28	(176.90)	(59.87)
Decrease / (increase) in non-current assets	(12.18)	(0.03)	(58.91)	(1.27)	5.28
Adjustments on account of acquisition of subsidiary	-	-	333.12	-	-
Cash generated from operations	**661.51**	**(44.41)**	**372.17**	**659.70**	**251.65**
Income taxes paid (net of refunds)	(62.67)	(24.75)	(415.89)	(338.10)	(293.59)
Net cash from operating activities (A)	**598.84**	**(69.16)**	**(43.72)**	**321.60**	**(41.93)**
Cash flows from investing activities					
Payment for property, plant and equipment and intangible assets	(111.84)	(169.80)	(276.08)	(111.75)	(29.81)
Sale of property, plant and equipment and intangible assets	57.80	-	34.49	-	13.98
Sale of investment property	(0.00)	-	48.00	66.43	96.47
Investment in Mutual Fund (Net)	-	201.94	201.94	(0.00)^	(190.50)
Consideration paid on acquisition of subsidiary	(2.40)	2.00	(151.96)	-	-

Particulars	For the three months period ended June 30, 2024	For the three months period ended June 30, 2023	For the year ended		
			March 31, 2024	March 31, 2023	March 31, 2022
Investment in Equity Instrument	0.00	0.07	-	(37.23)	0.00^
Investments in fixed deposits (Net)	210.88	(493.23)	(609.36)	(120.29)	(39.64)
Interest received on fixed deposits	13.31	4.07	109.65	60.73	23.87
Loans given (Net)	(99.46)	18.45	(120.23)	6.75	(87.33)
Interest received on loans given	9.87	1.54	3.19	4.80	41.28
Net cash generated from / (used in) investing activities (B)	**78.17**	**(434.96)**	**(760.35)**	**(130.55)**	**(171.68)**
Cash flows from financing activities					
Dividend Paid	(124.55)	-	(97.33)	(269.46)	-
Proceeds from long-term borrowings (Net)	106.27	-	457.15	(2.64)	0.99
Proceeds from short-term borrowings (Net)	(543.73)	381.25	385.44	86.93	226.03
Interest paid on long-term borrowings	(15.15)	(0.48)	(31.89)	(14.90)	(14.57)
Interest paid on short-term borrowings	(11.84)	(6.86)	(47.04)	(19.26)	(17.73)
Repayment of lease liability	(6.65)	(2.30)	(20.56)	(7.40)	(1.87)
Interest paid on lease liability	(3.12)	(1.04)	(8.79)	(2.00)	(0.92)
Net cash flow used in financing activities (C)	**(598.78)**	**370.57**	**636.98**	**(228.73)**	**191.93**
Net increase (decrease) in cash and cash equivalents (A) + (B) + (C)	**78.23**	**(133.55)**	**(167.09)**	**(37.69)**	**(21.68)**
Cash and cash equivalent at the beginning of the year	77.32	226.48	226.48	264.17	285.86
Add: Upon Addition of Subsidiary	-	-	17.94	-	-
Cash and cash equivalents at the end of the year	**155.56**	**92.93**	**77.32**	**226.48**	**264.18**
Components of Cash and cash equivalents -					
Cash in hand	2.48	1.00	1.57	1.31	0.66
Balances with bank	153.08	91.93	75.75	225.17	263.52
Bank Overdraft	-	-	-	-	-
Total cash and cash equivalents	**155.56**	**92.93**	**77.32**	**226.48**	**264.18**

^*Represents value less than ₹0.01 million*

GENERAL INFORMATION

Our Company was originally incorporated as '*SFC Environmental Technologies Private Limited*' at Mumbai, as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 29, 2005, issued by the RoC. Thereafter, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed in the extraordinary general meeting of our Shareholders held on June 29, 2024, and the name of our Company was changed to '*SFC Environmental Technologies Limited*' and a fresh certificate of incorporation dated August 13, 2024, was issued to our Company by the Registrar of Companies, Central Processing Centre.

For further details on the changes in the name of our Company, see "*History and Certain Corporate Matters*" on page 285.

Registered and Corporate Office of our Company

The address and certain other details of our Registered and Corporate Office is as follows:

SFC Environmental Technologies Limited
The Ambience Court
Hi-Tech Business Park, 21st Floor
Sector 19-D, Plot No. 2
Vashi, Navi Mumbai
Thane 400 705
Maharashtra, India
Telephone: +91 22 2783 2646 / 47
Website: www.sfcenvironment.com

For details of the changes in our registered office, see "*History and Certain Corporate Matters – Change in the registered office of our Company*" on page 285.

Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are set forth below:

Particulars	Number
Company Registration Number	152235
Corporate Identity Number	U37003MH2005PLC152235

The Registrar of Companies

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, which is situated at the following address:

Registrar of Companies, Maharashtra at Mumbai
100, Everest, Marine Drive
Mumbai 400 002
Maharashtra, India

Board of Directors

The following table sets out the brief details of our Board as on the date of this Draft Red Herring Prospectus:

Name and Designation	DIN	Address
Sandeep Sudhakar Asolkar *Chairman and Managing Director*	00097828	27, Udayagiri Society, opposite Telecom Factory, Deonar, Mumbai 400 088, Maharashtra, India
Chandrakant Vallabhaji Gogri *Non-Executive Director*	00005048	1801, Richmond Tower, Cliff Avenue, Hiranandani Garden, Near Hiranandani School, Powai, Mumbai 400 076, Maharashtra, India

Name and Designation	DIN	Address
Sarvesh Kumar Garg *Executive Director*	06873116	3/103-104, Kesar Harmony, Plot Number 11/12, Sector 6, Kharghar, Raigad 410 210, Maharashtra, India
Saketchandrasingh Pratapsingh Dhandoriya *Additional Executive Director*	06873114	Flat Number B-302, Neelsidhi Splendour, Road Number 4, Plot Number 58 and 65, Sector 15, CBD Belapur, Navi Mumbai, Konkan Bhavan, Thane 400 614, India
Neha Rajen Gada *Non-Executive Independent Director*	01642373	701, Krishna Kunj, Plot number 49, Road number 9, Near Vasupujya Jain Temple, Brahmanwada, Matunga Central Railway, Mumbai 400 019, Maharashtra, India
Satish Chandrashekhar Deshpande *Non-Executive Independent Director*	03153724	Flat No. 101, Sneh Kunj, Plot number 78, B Lane, Sector 8, Vashi, Navi Mumbai 400 703, Maharashtra, India
Nandkishor Trivikram Joshi *Non-Executive Independent Director*	02070242	RH 3, Om Shiv Parvati CHS, Plot number 101, Sector 29, Navi Mumbai 400 703, Maharashtra, India
Dilip Damodar Karambelkar *Non-Executive Independent Director*	00970812	C – 704, Meena towers, Swastik park, Chembur Mumbai 400 071, Maharashtra, India

For further details of our Board of Directors, see "*Our Management – Board of Directors*" on page 301.

Company Secretary and Compliance Officer

Shweta Deshpande is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Shweta Deshpande
The Ambience Court, Hi-Tech Business Park
21st Floor, Sector 19-D, Plot No. 2
Vashi, Navi Mumbai, Thane 400 705
Maharashtra, India
Telephone: +91-22-2783 2504
Email: compliance@sfcenv.com

Book Running Lead Managers

IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*
24th Floor, One Lodha Place
Senapati Bapat Marg, Lower Parel (W)
Mumbai 400 013
Maharashtra, India
Telephone: +91 22 4646 4728
E-mail: sfc.ipo@iiflcap.com
Investor grievance e-mail: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact Person: Yogesh Malpani / Mansi Sampat / Pawan Kumar Jain
SEBI Registration No.: INM000010940

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg, Prabhadevi
Mumbai - 400 025, Maharashtra, India
Telephone: + 91 22 6630 3030
E-mail: sfc.ipo@jmfl.com
Investor grievance e-mail: grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact Person: Prachee Dhuri
SEBI Registration No.: INM000010361

Nuvama Wealth Management Limited
801 - 804, Wing A, Building No 3
Inspire BKC, G Block, Bandra Kurla Complex
Bandra East, Mumbai – 400 051
Maharashtra, India
Telephone: +91 22 4009 4400
E-mail: sfc.ipo@nuvama.com
Investor grievance e-mail: customerservice.mb@nuvama.com
Website: www.nuvama.com
Contact Person: Pari Vaya
SEBI Registration No: INM000013004

Syndicate Members

[•]

Registrar to the Offer

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg
Vikhroli (West), Mumbai – 400 083
Maharashtra, India
Telephone: +91 810 811 4949
Email: sfcenvironmental.ipo@linkintime.co.in
Investor grievance email: sfcenvironmental.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No: INR000004058

Investor Grievances

Bidders may contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer-related queries and for redressal of complaints, investors may also write to the BRLMs.

All Offer related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary(ies) where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than the UPI Bidders) in which the amount equivalent to the Bid Amount was blocked or the UPI ID, in case of UPI Bidders.

Further, the Bidder shall also enclose the copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediary(ies) in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

Inter-se allocation of responsibilities of the Book Running Lead Managers

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

S. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus and of statutory advertisements including a memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing.	BRLMs	IIFL
2.	Drafting and approval of all statutory advertisements	BRLMs	IIFL
3.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in point 2 above, including corporate advertising and brochures and filing of media compliance report with SEBI.	BRLMs	Nuvama
4.	Appointment of Registrar to the Offer, advertising agency, printer including co-ordination for their agreements	BRLMs	IIFL
5.	Appointment of all other intermediaries including Bankers to the Offer (including coordination of all agreements)	BRLMs	Nuvama
6.	Preparation of road show presentation and frequently asked questions	BRLMs	JM
7.	International institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy • Finalizing the list and division of international investors for one-to-one meetings • Finalizing international road show and investor meeting schedules	BRLMs	JM
8.	Domestic institutional marketing of the Offer, which will cover, inter alia: • Finalizing the list and division of domestic investors for one-to-one meetings • Finalizing domestic road show and investor meeting schedules	BRLMs	IIFL
9.	Conduct non-institutional marketing of the Offer	BRLMs	Nuvama
10.	Conduct retail marketing of the Offer, which will cover, inter-alia: • Finalizing media, marketing, public relations strategy and publicity budget • Finalizing collection centres • Finalizing commission structure • Finalizing centres for holding conferences for brokers etc. • Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material	BRLMs	Nuvama
11.	Coordination with Stock Exchanges for book building software and bidding terminals and mock trading	BRLMs	JM
12.	Managing anchor book related activities including allocation to Anchor Investors, coordination with Stock Exchanges for anchor intimation, anchor CAN, submission of letters regulators post completion of anchor allocation	BRLMs	JM
13.	Managing the book and finalization of pricing in compliance with Company in accordance with SEBI ICDR Regulations	BRLMs	IIFL
14.	Post-Offer activities – Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Payment of the applicable securities transactions tax on sale of unlisted equity shares by the Selling Shareholders under the Offer for Sale to the Government. Submission of all post Offer reports including the final post Offer report to SEBI.	BRLMs	Nuvama

Legal Counsel to our Company as to Indian Law

Khaitan & Co
Max Towers
7th and 8th Floors
Sector 16B, Noida
Gautam Buddh Nagar 201 301
Uttar Pradesh, India
Telephone: +91 120 479 1000

Statutory Auditors to our Company

GBCA & Associates LLP, Chartered Accountants
Benefice Business House
3rd Level, Mathuradas Mills Compound
N. M. Joshi Marg
Lower Parel (West), Mumbai 400 013
Maharashtra, India
Email: yogesh@gbcaindia.com
Telephone: +91 22 3321 3737
Peer review number: 016447
Firm registration number: 103142W / W100292

Except as mentioned below, there has been no change in our Statutory Auditors in the three years preceding the date of this Draft Red Herring Prospectus:

Name of statutory auditor	Date of change	Reason
GBCA & Associates LLP, Chartered Accountants Benefice Business House 3rd Level, Mathuradas Mills Compound N. M. Joshi Marg Lower Parel (West), Mumbai 400 013 Maharashtra, India **Email**: yogesh@gbcaindia.com **Peer review number:** 016447 **Firm registration number:** 103142W / W100292	May 19, 2023	Appointment as new statutory auditor of the Company
Shrirang S. Hardikar & Co. 102, Rajmangal Yog, Apta Ram Mandir Road, Panvel, Raigad 401 206 Maharashtra, India **Email**: shriranghardikar@gmail.com **Peer review number:** Nil **Firm registration number:** 147243W	March 1, 2023	Pre-occupation in other assignments

Bankers to our Company

Bank of India
Plot No – 34, Sector No. 24
Turbhe, Navi Mumbai 400 705
Maharashtra
Telephone: +022 2788 33359
Email: turbhe.nasvimumbai@bankofindia.co.in
Website: www.bankofindia.co.in
Contact Person: Sudip Neogy

Axis Bank Limited
1st Floor, Corporate Park II, Sion Trombay Road
Behind Swastik Chambers, Chembur East 400071
Mumbai
Telephone: +91 720 830 5987
Email: pulkit.bahuguna@axisbank.com
Website: www.axisbank.com
Contact Person: Pulkit Bahuguna

ICICI Bank Limited
ICICI Bank Tower, Near Chakli Circle
Ola Padra Road, Vadodara 390 007
Gujarat
Telephone: +91 265 672 2286
Email: amit.sodani@icicibank.com

Website: www.icicibank.com/
Contact Person: Amit Sodani

Banker(s) to the Offer

Escrow Collection Bank (s)

[•]

Public Offer Account Bank(s)

[•]

Refund Bank(s)

[•]

Sponsor Bank(s)

[•]

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time.

A list of the Designated SCSB Branches with which an ASBA Bidder not Bidding through Syndicate / Sub Syndicate or through a Registered Broker, RTA or CDP may submit the ASBA Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, and at such other websites as may be prescribed by SEBI from time to time.

Self-Certified Syndicate Banks eligible as Issuer Banks for UPI

In accordance with SEBI RTA Master Circular, SEBI ICDR Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), read with other applicable UPI Circulars, UPI Bidders may apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI. The list of SCSBs through which Bids can be submitted by UPI Bidders, including details such as the eligible mobile applications and UPI handle which can be used for such Bids, is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, which may be updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA Forms from Bidders, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx? and https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms from Bidders at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms from Bidders at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and on the website of NSE at http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Credit Rating

As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating for the Offer.

Debenture Trustee

As this is an Offer consisting only of Equity Shares, the appointment of a debenture trustee is not required.

Appraising Entity

None of the objects for which the Net Proceeds will be utilized have been appraised by any external agency and therefore, no appraising entity has been appointed in relation to the Offer.

Monitoring Agency

Our Company shall, in compliance with Regulation 41 of the SEBI ICDR Regulations, appoint a monitoring agency for monitoring the utilisation of the Gross Proceeds prior to filing of the Red Herring Prospectus. For details in relation to the proposed utilisation of the Gross Proceeds from the Offer, please see "*Objects of the Offer*" on page 141.

Grading of the Offer

No credit agency registered with SEBI has been appointed for obtaining grading for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Experts

Except as disclosed below, our Company has not obtained any expert opinions or consents and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus. The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act:

Our Company has received written consent dated December 2, 2024, from our Statutory Auditors, GBCA & Associates LLP, Chartered Accountants to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors and in respect of their (i) examination report dated November 28, 2024 on our Restated Consolidated Financial Information; and (ii) report dated December 2, 2024 on the statement of special tax benefits included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has also received written consent dated December 2, 2024, from M. I. Shah and Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of various certifications issued by them in their capacity as Independent Chartered Accountant to our Company on certain financial and operational information included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Additionally, our Company has also received written consent dated December 1, 2024, from AN Somase and Associates, Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, to the extent and in his capacity as Independent Chartered Engineer in relation to his certificate dated December 1, 2024 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Further, our Company has received written consent on December 1, 2024 from DVD & Associates, independent practicing company secretaries, to include their name in this Draft Red Herring Prospectus, as an "expert" as defined under section 2(38) of the Companies Act, 2013, in respect of their search report dated December 1, 2024 in connection with certain untraceable corporate records of our Company, certain details of which have been included in this Draft Red Herring Prospectus.

Underwriting Agreement

Prior to the filing of the Red Herring Prospectus or Prospectus with the RoC, as applicable, and in accordance with the nature of underwriting which is determined in accordance with Regulation 40(3) of SEBI ICDR Regulations, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed prior to the filing of the Red Herring Prospectus or Prospectus with the RoC, as applicable. This portion has been intentionally left blank and will be filled in before the filing of the Red Herring Prospectus or Prospectus with the RoC, as applicable.)

Name, address, telephone and email of the Underwriters	Indicative number of Equity Shares of face value of ₹2 each to be underwritten	Amount underwritten (in ₹ million)
[●]	[●]	[●]
[●]	[●]	[●]

The abovementioned underwriting commitment is indicative and will be finalized after determination of the Offer Price and Basis of Allotment and will be subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board of Directors, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under

Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board / IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them in accordance with the Underwriting Agreement.

Subject to the applicable laws and pursuant to the terms of the Underwriting Agreement, the BRLMs will be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations.

Filing

A copy of this Draft Red Herring Prospectus has been filed through SEBI's online intermediary portal at https://siportal.sebi.gov.in, in accordance with SEBI master circular bearing reference no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154dated November 11, 2024, and as specified in Regulation 25(8) of the SEBI ICDR Regulations.

It will also be filed with SEBI at the following address:

Securities and Exchange Board of India
Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4-A, 'G' Block
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051
Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013, will be filed with the RoC, and through the electronic portal of MCA at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the BRLMs, and if not disclosed in the Red Herring Prospectus, will be advertised in all editions of [●], a widely circulated English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper and [●] editions of [●], a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located), at least two Working Days prior to the Bid / Offer Opening Date, and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Company, in consultation with the Book Running Lead Managers, after the Bid / Offer Closing Date. For details, see "*Offer Procedure*" on page 518.

All Bidders, other than Anchor Investors, shall only participate in this Offer through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs. Retail Individual Bidders shall participate through the ASBA process, either by (i) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (ii) using the UPI Mechanism. Pursuant to SEBI ICDR Master Circular read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), individuals Bidding as NIBs with an application size of up to ₹0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid / Offer Period and withdraw their Bids until the Bid / Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. Additionally, Allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non–Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For an illustration of the Book Building Process and further details, see "*Terms of the Offer*" and "*Offer Procedure*" on pages 506 and 518, respectively.

The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and Bidders are advised to make their own judgement about investment through this process prior to submitting a Bid in the Offer.

Bidders should note that the Offer is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment as per the prescribed timelines in compliance with the SEBI ICDR Regulations.

For further details on the method and procedure for Bidding, see "*Offer Procedure*" beginning on page 518.

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Draft Red Herring Prospectus is set forth below:

(In ₹, except share data)

		Aggregate value at face value	Aggregate value at Offer Price*
A	**AUTHORIZED SHARE CAPITAL(1)**		
	125,000,000 Equity Shares of face value of ₹2 each	250,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	93,411,270 Equity Shares of face value of ₹2 each	186,822,540	-
C	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Offer of up to [●] Equity Shares of face value ₹2 each aggregating up to ₹[●] million(2)(3)	[●]	[●]
	Which includes:	[●]	[●]
	Fresh Issue of up to [●] Equity Shares of face value ₹2 each aggregating up to ₹1,850.00 million(2)^	[●]	[●]
	Offer for Sale of up to 10,824,790 Equity Shares of face value ₹2 each by the Selling Shareholders aggregating up to ₹[●] million(3)	[●]	[●]
	The Offer includes:	[●]	[●]
	Employee Reservation Portion of up to [●] Equity Shares of face value ₹2 each aggregating up to ₹[●] million (4)	[●]	[●]
	Net Offer to the public of up to [●] Equity Shares of face value ₹2 each aggregating up to ₹[●] million	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER +**		
	[●] Equity Shares of face value ₹2 each *	[●]	-
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer (in ₹ million)	Nil	
	After the Offer (in ₹ million)*	[●]	

+ *Assuming full subscription of the Offer.*

* *To be updated upon finalization of the Offer Price, and subject to the Basis of Allotment.*

^ *Our Company, in consultation with the BRLMs, may consider a further issue of specified securities as may be permitted under applicable law, at its discretion, aggregating up to ₹370.00 million (the "**Pre-IPO Placement**"), prior to the filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

(1) *For details in relation to the changes in the authorised share capital of our Company in the last 10 years, see "History and Certain Corporate Matters – Amendments to the Memorandum of Association" on page 286.*

(2) *Our Board has authorized the Offer, pursuant to their resolution dated August 14, 2024. Our Shareholders have authorized the Fresh Issue pursuant to special resolution passed at the annual general meeting dated September 5, 2024.*

(3) *The Selling Shareholders confirm that the Offered Shares are eligible to be offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations. The Selling Shareholders have confirmed and authorized their participation in the Offer for Sale. Further, our Board has taken on record the consents of the Selling Shareholders for participation in the Offer for Sale pursuant to its resolution dated November 28, 2024. For details on authorization of the Selling Shareholders in relation to their respective portion of the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 489.*

(4) *Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% on the Offer Price to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid / Offer Opening Date. In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million (net of employee discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of employee discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹0.50 million), shall be added to the Net Offer. For further details, see "Offer Structure" beginning on page 513.*

Notes to the Capital Structure

1. **Equity share capital history of our Company**

The issuance of equity shares since incorporation until the date of this Draft Red Herring Prospectus, by our Company had been undertaken in accordance with the provisions of the Companies Act, 1956, or the Companies Act, 2013, as applicable. The following table sets forth the history of the equity share capital of our Company:

<table>
<tr><th>Date of allotment / reduction of shares</th><th>Details of shareholders and equity shares allotted / reduced</th><th>Reason for / nature of allotment / reduction</th><th>Number of equity shares allotted / reduced</th><th>Face value per equity share (₹)</th><th>Issue price / reduction price per equity share (₹)</th><th>Form of consideration</th><th>Cumulative number of equity shares</th><th>Cumulative paid-up equity share capital (in ₹)</th></tr>
<tr><td>March 29, 2005</td><td>Allotment of 171,000 equity shares to Enviropro Water Tech Private Limited, 45,000 equity shares to Sandeep Sudhakar Asolkar, 4,000 equity shares to Aparna Vivek Kapoor, 185,000 equity shares to SFC Umwelttechnik GMBH and 45,000 equity shares to Gunnar Demoulin.</td><td>Initial subscription to the Memorandum of Association(2)</td><td>450,000</td><td>10</td><td>10</td><td>Cash</td><td>450,000</td><td>4,500,000</td></tr>
<tr><td>March 28, 2007</td><td>Allotment of 410,000 equity shares to Enviropro Water Tech Private Limited, 115,000 equity shares to Sandeep Sudhakar Asolkar, 55,000 equity shares to Aparna Vivek Kapoor, 400,000 equity shares to SFC Umwelttechnik GMBH and 50,000 equity shares to Gunnar Demoulin.</td><td>Further issue of equity shares</td><td>1,030,000</td><td>10</td><td>10</td><td>Cash</td><td>1,480,000</td><td>14,800,000</td></tr>
<tr><td>January 28, 2008</td><td>Allotment of 10,000 equity shares to Sandeep Sudhakar Asolkar, and 10,000 equity shares to Aparna Vivek Kapoor.</td><td>Further issue of equity shares</td><td>20,000</td><td>10</td><td>10</td><td>Cash</td><td>1,500,000</td><td>15,000,000</td></tr>
<tr><td rowspan="2">March 31, 2008</td><td>Allotment of 153,078 equity shares to SFC Umwelttechnik GMBH and 36,673 equity shares to Gunnar Demoulin.</td><td>Further issue of equity shares</td><td>189,751</td><td>10</td><td>23</td><td>Cash</td><td>1,689,751</td><td>16,897,510</td></tr>
<tr><td>Allotment of 1,099,249 equity shares to Enviropro Water Tech Private Limited, 130,000 equity shares to Sandeep Sudhakar Asolkar and 81,000 equity shares to Aparna Vivek Kapoor.</td><td>Further issue of equity shares(2)</td><td>1,310,249</td><td>10</td><td>10</td><td>Cash</td><td>3,000,000</td><td>30,000,000</td></tr>
<tr><td>September 2, 2008</td><td>Allotment of 1,700,000 equity shares to Enviropro Water Tech Private Limited, 200,000 equity shares to Sandeep Sudhakar Asolkar, and 100,000 equity shares to Aparna Vivek Kapoor.</td><td>Further issue of equity shares</td><td>2,000,000</td><td>10</td><td>10</td><td>Cash</td><td>5,000,000</td><td>50,000,000</td></tr>
<tr><td>September 15, 2008</td><td>Allotment of 850,000 equity shares to Enviropro Water Tech Private Limited, 100,000 equity shares to Sandeep Sudhakar Asolkar, and 50,000 equity shares to Aparna Vivek Kapoor.</td><td>Further issue of equity shares</td><td>1,000,000</td><td>10</td><td>10</td><td>Cash</td><td>6,000,000</td><td>60,000,000</td></tr>
<tr><td>March 10, 2023</td><td>Reduction of 4,800,000 equity shares held by Enviropro Water Tech Private Limited</td><td rowspan="2">Allotment pursuant to the Scheme of Amalgamation(1) (2)</td><td>(4,800,000)</td><td>10</td><td>-</td><td>Other than cash</td><td>1,200,000</td><td>12,000,000</td></tr>
<tr><td>July 24, 2023</td><td>Allotment of equity shares was as follows:
<table><tr><th>S. No</th><th>Name of allottee</th><th>Equity shares allotted</th></tr><tr><td>1.</td><td>Alprishi Realtors LLP</td><td>62,125</td></tr><tr><td>2.</td><td>Ashtapad Trading LLP</td><td>4,375</td></tr></table></td><td>5,027,418</td><td>10</td><td>-</td><td>Other than cash</td><td>6,227,418</td><td>62,274,180</td></tr>
</table>

Date of allotment / reduction of shares	Details of shareholders and equity shares allotted / reduced			Reason for / nature of allotment / reduction	Number of equity shares allotted / reduced	Face value per equity share (₹)	Issue price / reduction price per equity share (₹)	Form of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
	3.	Hardik Suresh Matalia	2,450							
	4.	Karan Balkrishna Shah	2,188							
	5.	Ketan Arvind Shah (held jointly with Arvind Kantilal Shah)	2,100							
	6.	Manish Mavji Dedhia	2,188							
	7.	Damji Manek Gada	2,188							
	8.	Dina Damji Gada	2,188							
	9.	Kruti Sagar Sheth	2,100							
	10.	Taral V Nagda	2,100							
	11.	Dipti Pankaj Gosrani	2,100							
	12.	Parag Bipinchandra Shah	2,450							
	13.	Sheetal Dugar	93,625							
	14.	Elixir Commercial and Advisory Services LLP	2,800							
	15.	Suvarna Mayank Shah (held jointly with Mayank Pravinchandra Shah)	4,375							
	16.	Bina Vidyut Shah	2,800							
	17.	Kirti Mavji Malde (HUF)	2,275							
	18.	Bhagyashree Anil Sawant	875							
	19.	Anil Bhavanji Shah (held jointly with Darshana Anil Shah)	31,063							
	20.	Arvind Kanji Chheda (held jointly with Ranjan Arvind Chheda)	8,750							
	21.	Neelam Ashok Chheda	4,375							
	22.	Bhaveshkumar Bachubhai Mehta	54,250							
	23.	Bhavesh Dhirajlal Sheth (held jointly with Rita Bhavesh Sheth)	1,313							
	24.	Intellect Endeavours LLP	7,000							
	25.	Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri)	46,725							
	26.	Dhanvallabh Ventures Fund - Scheme I	93,013							
	27.	Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	221,120							
	28.	Narendra Murji Dedhia (held jointly with Dina Narendra Dedhia)	11,813							
	29.	Devesh Rajesh Kabra	1,750							

Date of allotment / reduction of shares	Details of shareholders and equity shares allotted / reduced			Reason for / nature of allotment / reduction	Number of equity shares allotted / reduced	Face value per equity share (₹)	Issue price / reduction price per equity share (₹)	Form of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
	30.	Dinesh Devchand Ghalla (held jointly with Priti Dinesh Ghalla)	2,625							
	31.	Harit Pragji Shah (held jointly with Jayshree Harit Shah)	7,000							
	32.	Jayshree Harit Shah (held jointly with Harit Pragji Shah)	26,250							
	33.	Vicky Hemchand Gala (held jointly with Beena Vicky Gala)	9,188							
	34.	Rupal Bharat Pasad	1,313							
	35.	Indira Madan Dedhia (held jointly with Madan Dhanji Dedhia)	3,500							
	36.	Kalpen Madan Dedhia (held jointly with Deepali Kalpen Dedhia)	4,375							
	37.	Kinnari Kartik Dedhia (held jointly with Kartik Kantilal Dedhia)	4,375							
	38.	Ishan Sudhir Gosar	1,750							
	39.	Jayesh Lakhamshi Haria	2,625							
	40.	Hemlata Rasiklal Gala	1,313							
	41.	Jiggar L Savla	1,313							
	42.	Ketan Dharshi Savla (held jointly with Rekha Ketan Savla)	1,313							
	43.	Kiran Dhiren Gogri	4,813							
	44.	Kirit Ratilal Mehta (held jointly with Smita Kirit Mehta)	875							
	45.	Mandakini Komal Shah (held jointly with Komalbhai Muljibhai Shah)	1,925							
	46.	Nemin Mahesh Savadia (held jointly with Mahesh Mathuradas Savadia)	5,250							
	47.	Mahesh Premji Vikam	9,275							
	48.	Rashmi Kiran Nandu	2,625							
	49.	Malay Kiran Nandu	1,750							
	50.	Mangal Viram Gadhavi (held jointly with Palubhai Virambhai Gadhavi)	1,750							
	51.	Manoj Mulji Chheda	5,250							
	52.	Mansukh Premji Gala	1,313							
	53.	Chandni Milan Maheshwari	1,313							

Date of allotment / reduction of shares	Details of shareholders and equity shares allotted / reduced			Reason for / nature of allotment / reduction	Number of equity shares allotted / reduced	Face value per equity share (₹)	Issue price / reduction price per equity share (₹)	Form of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
	54.	Maya M Savla (held jointly with Mulesh Manilal Savla)	11,375							
	55.	Maitry Nikhil Shah	1,750							
	56.	Neeta Navin Nagda	3,938							
	57.	Navin Chapshi Shah	4,375							
	58.	Neerav Dhirajlal Gala	1,750							
	59.	Alpa Jayesh Keniya	875							
	60.	Palubhai Virambhai Gadhavi (held jointly with Mangal Viram Gadhavi)	1,750							
	61.	Paresh S Kariya (held jointly with Purvi P Karia)	6,563							
	62.	Paresh Shashikant Shah (held jointly with Varsha Paresh Shah)	1,313							
	63.	Nikhil Holdings Private Limited	17,500							
	64.	Parindu Bansilal Gogri Trust	9,363							
	65.	Parul Yogesh Nahar	18,550							
	66.	Krishna Yogesh Nahar	4,550							
	67.	Pravin Jakhubhai Nandu	875							
	68.	Pravinchandra Valji Rambhia (held jointly with Dhaval P Rambhia)	1,313							
	69.	Priyank Mukesh Dedhia (held jointly with Mukesh Dhirajlal Dedhia)	2,188							
	70.	Purnima Paresh Satra (held jointly with Paresh Maganlal Satra)	875							
	71.	Rishita Jatin Karani	4,813							
	72.	Sangoi Nirav Ramnik	1,313							
	73.	Aar Em Ventures LLP	36,750							
	74.	Sagar Mahesh Tanna	1,750							
	75.	Parul Samir Shah (held jointly with Samir Pragji Shah)	3,063							
	76.	Sandeep Gupta	1,750							
	77.	Santosh Shantilal Vora (held jointly with Shantilal Shivji Vora and Kanchan Shantilal Vora)	13,563							
	78.	Shantilal Shivji Vora (held jointly with Kanchan Shantilal Vora)	13,563							

Date of allotment / reduction of shares	Details of shareholders and equity shares allotted / reduced			Reason for / nature of allotment / reduction	Number of equity shares allotted / reduced	Face value per equity share (₹)	Issue price / reduction price per equity share (₹)	Form of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
	79.	Kanchan Shantilal Vora (held jointly with Shantilal Shivji Vora)	13,563							
	80.	Rachi Santosh Vora (held jointly with Santosh Shantilal Vora and Shantilal Shivji Vora)	13,563							
	81.	Sarvam Realties LLP	1,393							
	82.	Neha Garewal	18,375							
	83.	Heena Bhatia	18,375							
	84.	Kalpana Sudhir Bheda (held jointly with Sudhir Shivji Bheda)	17,500							
	85.	Alpa Sunil Chheda	7,875							
	86.	Bhavini Nimesh Maru	875							
	87.	Jitesh Jaswantlal Shah	263							
	88.	Varsha Rajaram Galvankar (held jointly with Neela Rajaram Galvankar)	875							
	89.	Vignesh Shivji Bheda	4,375							
	90.	Narendra Vasanji Mamania (held jointly with Jinal Narendra Mamania)	4,375							
	91.	Vijay Vasanji Mamania (held jointly with Narendra Vasanji Mamania)	5,250							
	92.	Seema Vikram Shah (held jointly with Vikram Talakshi Shah)	1,750							
	93.	Prajay Vikram Shah (held jointly with Seema Vikram Shah)	1,750							
	94.	Vipul Ramesh Vira (held jointly with Priti Vipul Vira)	1,313							
	95.	Hasmukh Devraj Gala	875							
	96.	Virchand Premji Gala	875							
	97.	Hitesh M Bhanushali	438							
	98.	Faizan Abdul Gaffar Chaudhary	5,110							
	99.	Priti Piyush Shah	14,175							
	100.	Ruchi Umrao	875							
	101.	Ashish Sharma	4,183							
	102.	Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)	1,205,698							
	103.	Saketchandrasingh Pratapsingh Dhandoriya	562,275							

<table>
<tr><th>Date of allotment / reduction of shares</th><th>Details of shareholders and equity shares allotted / reduced</th><th>Reason for / nature of allotment / reduction</th><th>Number of equity shares allotted / reduced</th><th>Face value per equity share (₹)</th><th>Issue price / reduction price per equity share (₹)</th><th>Form of consideration</th><th>Cumulative number of equity shares</th><th>Cumulative paid-up equity share capital (in ₹)</th></tr>
<tr><td></td><td>
<table>
<tr><td>104.</td><td>Aparna Vivek Kapoor</td><td>274,778</td></tr>
<tr><td>105.</td><td>Rajesh Kesavan Nambisan</td><td>374,801</td></tr>
<tr><td>106.</td><td>Sandeep Sambhaji Parab</td><td>374,801</td></tr>
<tr><td>107.</td><td>Kumaraguru Madurakavi</td><td>374,801</td></tr>
<tr><td>108.</td><td>Jyoti Subodh Sapre</td><td>227,467</td></tr>
<tr><td>109.</td><td>Sarvesh Kumar Garg</td><td>374,801</td></tr>
<tr><td>110.</td><td>Veera Venkata Satyanarayana Yannamani</td><td>174,974</td></tr>
<tr><td colspan="2">Total</td><td>5,027,418</td></tr>
</table>
.</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td></td><td colspan="6">Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital of our Company was sub-divided from 6,227,418 equity shares of ₹10 each to 31,137,090 Equity Shares of ₹2 each.</td><td>31,137,090</td><td>62,274,180</td></tr>
<tr><td>September 5, 2024</td><td>Allotment of Equity Shares was as follows:
<table>
<tr><th>S. No.</th><th>Name Of Allottee</th><th>Equity shares allotted</th></tr>
<tr><td>1.</td><td>Aakansha Unichem LLP</td><td>1,670,000</td></tr>
<tr><td>2.</td><td>Aar Em Ventures LLP</td><td>367,500</td></tr>
<tr><td>3.</td><td>Ajay Bhupendrabhai Gajjar</td><td>5,000</td></tr>
<tr><td>4.</td><td>Ajit Dhondiram Marathe</td><td>10,000</td></tr>
<tr><td>5.</td><td>Alpa Jayesh Keniya</td><td>8,750</td></tr>
<tr><td>6.</td><td>Alpa Sunil Chheda</td><td>153,750</td></tr>
<tr><td>7.</td><td>Amit Anil Sawant</td><td>40,000</td></tr>
<tr><td>8.</td><td>Anil Bhavanji Shah (held jointly with Darshana Anil Shah)</td><td>235,630</td></tr>
<tr><td>9.</td><td>Arvind Kanji Chheda (held jointly with Ranjan Arvind Chheda)</td><td>87,500</td></tr>
<tr><td>10.</td><td>Ashish Sharma</td><td>41,830</td></tr>
<tr><td>11.</td><td>Ashtapad Trading LLP</td><td>43,750</td></tr>
<tr><td>12.</td><td>Asolkar Tradecraft Private Limited</td><td>3,318,880</td></tr>
<tr><td>13.</td><td>Astik Pramod Singh</td><td>1,000</td></tr>
<tr><td>14.</td><td>Bhagyashree Anil Sawant</td><td>8,750</td></tr>
<tr><td>15.</td><td>Bhavesh Dhirajlal Sheth (held jointly with Rita Bhavesh Sheth)</td><td>13,130</td></tr>
<tr><td>16.</td><td>Bhaveshkumar Bachubhai Mehta</td><td>542,500</td></tr>
</table>
</td><td>Bonus Issue in ratio of two Equity Shares for every one Equity Share held in our Company by the Shareholders as on the record date i.e. September 4, 2024</td><td>62,274,180</td><td>2</td><td>-</td><td>Other than cash (bonus issue)</td><td>93,411,270</td><td>186,822,540</td></tr>
</table>

Date of allotment / reduction of shares	Details of shareholders and equity shares allotted / reduced			Reason for / nature of allotment / reduction	Number of equity shares allotted / reduced	Face value per equity share (₹)	Issue price / reduction price per equity share (₹)	Form of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
	17.	Bhavini Nimesh Maru	8,750							
	18.	Bina Vidyut Shah	28,000							
	19.	Chandni Milan Maheshwari	13,130							
	20.	Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri)	567,250							
	21.	Damji Manek Gada	21,880							
	22.	Darsh Narendra Mamania	10,000							
	23.	Deepak Jethalal Haria	5,000							
	24.	Devesh Rajesh Kabra	5,300							
	25.	Dhanvallabh Ventures Fund - Scheme I	930,130							
	26.	Dina Damji Gada	21,880							
	27.	Dina Narendra Dedhia (held jointly with Narendra Murji Dedhia)	50,000							
	28.	Dinesh Devchand Ghalla (held jointly with Priti Dinesh Ghalla)	26,250							
	29.	Dipti Pankaj Gosrani	21,000							
	30.	Elixir Commercial and Advisory Services LLP	28,000							
	31.	Faizan Abdul Gaffar Chaudhary	51,100							
	32.	Ganesh Kandaswamy Thevar	10,000							
	33.	Gour Sharadchandra	10,000							
	34.	Hardik Suresh Matalia	24,500							
	35.	Harit Pragji Shah (held jointly with Jayshree Harit Shah)	70,000							
	36.	Harshita Deepak Haria	20,000							
	37.	Hasmukh Devraj Gala	8,750							
	38.	Heena Bhatia	183,750							
	39.	Hemali Rohit Gada	20,000							
	40.	Hemlata Rasiklal Gala	13,130							
	41.	Hitesh M Bhanushali	4,380							
	42.	Indira Madan Dedhia (held jointly with Madan Dhanji Dedhia)	35,000							
	43.	Intellect Endeavours LLP	70,000							
	44.	Jaswantlal Maganlal Shah	1,310							
	45.	Jaya Chandrakant Gogri (held jointly	3,832,900							

Date of allotment / reduction of shares	Details of shareholders and equity shares allotted / reduced			Reason for / nature of allotment / reduction	Number of equity shares allotted / reduced	Face value per equity share (₹)	Issue price / reduction price per equity share (₹)	Form of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
		with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)								
	46.	Jayesh Lakhamshi Haria	36,250							
	47.	Jayshree Harit Shah (held jointly with Harit Pragji Shah)	312,500							
	48.	Jiggar L Savla	13,130							
	49.	Jyoti Subodh Sapre	2,274,670							
	50.	Kalpana Sudhir Bheda (held jointly with Sudhir Shivji Bheda)	175,000							
	51.	Kalpen Madan Dedhia (held jointly with Deepali Kalpen Dedhia)	268,750							
	52.	Kanchan Shantilal Vora (held jointly with Shantilal Shivji Vora)	135,630							
	53.	Karan Balkrishna Shah	21,880							
	54.	Ketan Arvind Shah (held jointly with Arvind Kantilal Shah)	21,000							
	55.	Ketan Dharshi Savla (held jointly with Rekha Ketan Savla)	13,130							
	56.	Kinnari Kartik Dedhia (held jointly with Kartik Kantilal Dedhia)	88,750							
	57.	Kiran Dhiren Gogri	48,130							
	58.	Kirit Ratilal Mehta (held jointly with Smita Kirit Mehta)	8,750							
	59.	Kirti Mavji Malde (HUF) Karta Name: Kirti	22,750							
	60.	Krisha Yogesh Nahar	45,500							
	61.	Kruti Sagar Sheth	21,000							
	62.	Lalit Motwani (held jointly with Mala Motwani)	5,000							
	63.	Kumaraguru Madurakavi	3,061,810							
	64.	Madhubala Ketan Gada	20,000							
	65.	Mahendra Pandharinath Ingale	10,000							
	66.	Mahesh Premji Vikam	92,750							
	67.	Maitry Nikhil Shah	17,500							
	68.	Malay Kiran Nandu	17,500							
	69.	Mandakini Komal Shah (held jointly with Komal Murji Shah)	19,250							

Date of allotment / reduction of shares	Details of shareholders and equity shares allotted / reduced			Reason for / nature of allotment / reduction	Number of equity shares allotted / reduced	Face value per equity share (₹)	Issue price / reduction price per equity share (₹)	Form of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
	70.	Mandar Dinkar Desai (held jointly with Shruti Mandar Desai)	50,000							
	71.	Mangal Viram Gadhavi (held jointly with Palubhai Virambhai Gadhavi)	17,500							
	72.	Manish Mavji Dedhia (held jointly with Jalpa Manish Dedhia)	21,880							
	73.	Manjulaben Popatlal Gala	20,000							
	74.	Manoj Mulji Chheda	52,500							
	75.	Mansukh Premji Gala	13,130							
	76.	Maya M Savla (held jointly with Mulesh Manilal Savla)	113,750							
	77.	Minal Chandulal Gala (held jointly with Mulraj Chandulal Gala)	90,000							
	78.	Mulraj Chandulal Gala (held jointly with Hetal Gogri Gala)	225,000							
	79.	Narendra Murji Dedhia (held jointly with Dina Narendra Dedhia)	168,130							
	80.	Narendra Vasanji Mamania (held jointly with Jinal Narendra Mamania)	43,750							
	81.	Navin Chapshi Shah	43,750							
	82.	Neelam Ashok Chheda	43,750							
	83.	Neerav Dhirajlal Gala	31,000							
	84.	Neeta Navin Nagda	39,380							
	85.	Neha Rajen Gada (held jointly with Rajen Hemchand Gada)	12,500							
	86.	Nehal Garewal	183,750							
	87.	Nemin Mahesh Savadia (held jointly with Mahesh Mathuradas Savadia)	52,500							
	88.	Nikhil Holdings Private Limited	236,100							
	89.	Niral Komal Shah	90,000							
	90.	Ojas Sudhir Gosar	17,000							
	91.	Ojas Sudhir Gosar	17,500							
	92.	Palubhai Virambhai Gadhavi (held jointly with Mangal Viram Gadhavi)	17,500							
	93.	Parag Bipin Shah	24,500							
	94.	Paresh Shantilal Kariya (held jointly with Purvi Paresh Kariya)	65,630							

Date of allotment / reduction of shares	Details of shareholders and equity shares allotted / reduced			Reason for / nature of allotment / reduction	Number of equity shares allotted / reduced	Face value per equity share (₹)	Issue price / reduction price per equity share (₹)	Form of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
	95.	Paresh Shashikant Shah (held jointly with Varsha Paresh Shah)	13,130							
	96.	Parimal Hasmukhlal Desai	108,900							
	97.	Parindu Bansilal Gogri Trust *(Representative Rashesh Chandrakant Gogri Chandrakant Vallabhaji Gogri Hetal Gogri Gala)*	93,630							
	98.	Parul Samir Shah (held jointly with Samir Pragji Shah)	30,630							
	99.	Parul Yogesh Nahar	185,500							
	100.	Payal Viral Shah (held jointly with Hansa Hasmukh Shah)	15,000							
	101.	Prajay Vikram Shah (held jointly with Seema Vikram Shah)	17,500							
	102.	Prashant Jagannath Mohokar	7,500							
	103.	Pravin Jakhubhai Nandu	8,750							
	104.	Pravinchandra Valji Rambhia (held jointly with Dhaval P Rambhia)	13,130							
	105.	Priti Piyush Shah	141,750							
	106.	Priyank Mukesh Dedhia (held jointly with Mukesh Dhirajlal Dedhia)	19,380							
	107.	Purnima Paresh Satra (held jointly with Paresh Maganlal Satra)	8,750							
	108.	Rachi Santosh Vora (held jointly with Santosh Shantilal Vora and Shantilal Shivji Vora)	135,630							
	109.	Rajen Hemchand Gada (held jointly with Neha Rajen Gada)	12,500							
	110.	Rajesh Kabra	21,200							
	111.	Rajesh Lalji Sangoi	15,000							
	112.	Rajesh Kesavan Nambisan	3,061,810							
	113.	Rashmi Kiran Nandu	26,250							
	114.	Rishita Jatin Karani	48,130							
	115.	Riya Alpesh Shah	121,250							
	116.	Rohan Manohar Kharche	10,000							
	117.	Ruchi Umrao	8,750							
	118.	Rupal Bharat Pasad	13,130							

Date of allotment / reduction of shares	Details of shareholders and equity shares allotted / reduced			Reason for / nature of allotment / reduction	Number of equity shares allotted / reduced	Face value per equity share (₹)	Issue price / reduction price per equity share (₹)	Form of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
	119.	Sagar Mahesh Tanna	50,000							
	120.	Saketchandrasingh Pratapsingh Dhandoriya	5,622,750							
	121.	Sandeep Gupta	17,500							
	122.	Sandeep Sambhaji Parab	3,061,810							
	123.	Sandeep Sudhakar Asolkar	9,000,000							
	124.	Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)	12,056,980							
	125.	Sangoi Nirav Ramnik	13,130							
	126.	Santosh Shantilal Vora (held jointly with Shantilal Shivji Vora and Kanchan Shantilal Vora)	135,630							
	127.	Sarvam Realities LLP	13,930							
	128.	Sarvesh Kumar Garg	3,684,810							
	129.	Seema Vikram Shah (held jointly with Vikram Talakshi Shah)	17,500							
	130.	Shantilal Shivji Vora (held jointly with Kanchan Shantilal Vora)	135,630							
	131.	Sheetal Dugar	936,250							
	132.	Shilpa Alpesh Shah	500,000							
	133.	Sudhir Vasant Sane	10,000							
	134.	Suvarna Mayank Shah (held jointly with Mayank Pravinchandra Shah)	43,750							
	135.	Tanvi Vaibhav Shah	1,320							
	136.	Taral V Nagda	21,000							
	137.	Varsha Rajaram Galvankar (held jointly with Neela Rajaram Galvankar)	13,750							
	138.	Veera Venkata Satyanarayana Yannamani	1,429,240							
	139.	Vicky Hemchand Gala (held jointly with Beena Vicky Gala)	91,880							
	140.	Vignesh Shivji Bheda	43,750							
	141.	Vijay Vasanji Mamania	400							
	142.	Vijay Vasanji Mamania (held jointly with Narendra Vasanji Mamania)	66,100							
	143.	Vinod Lalji Sangoi	15,000							

Date of allotment / reduction of shares	Details of shareholders and equity shares allotted / reduced			Reason for / nature of allotment / reduction	Number of equity shares allotted / reduced	Face value per equity share (₹)	Issue price / reduction price per equity share (₹)	Form of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (in ₹)
	144.	Vipul Ramesh Vira (held jointly with Priti Vipul Vira)	13,130							
	145.	Virchand Premji Gala	8,750							
	146.	Virendra Vijay Rane	50,000							
	147.	Yatrik Chandresh Sheth	2,500							
		Total	**62,274,180**							

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1) *For further details on the Scheme of Amalgamation, see "History and Certain Corporate Matters— Mergers or amalgamations" on page 289.*
2) *Certain of our corporate records have typographical errors wherein, (i) as per the MoA, Aparna Vivek Kapoor was allotted 4,500 Equity Shares, whereas originally she was allotted only 4,000 Equity Shares; (ii) the list of allottees which is annexed to Form 2, filed in relation to the allotments made on March 31, 2008, has certain mismatch's in the number of shares allotted to, and amount paid by Enviropro Water Tech Private Limited, Sandeep Sudhakar Asolkar and Aparna Vivek Kapoor, and (iii) the list of allottees which is annexed to Form PAS-3, filed in relation to the allotment made on July 24, 2023. In this regard, our Company has filed an application dated November 25, 2024, in Form GNL-1 with the RoC and requesting the RoC to take the discrepancies on record. This application is currently pending. For further details, see "Risk Factors — Certain of our corporate records and filings are not traceable or have certain discrepancies. We cannot assure you that regulatory proceedings or actions will not be initiated against us in the future and we will not be subject to any penalty imposed by the competent regulatory authority in this regard." on page 63.*

2. ***Shares issued for consideration other than cash or out of revaluation reserves or by way of a bonus issue***

Our Company has not issued any Equity Shares out of its revaluation reserves. Except as set forth below, our Company has not issued any Equity Shares for consideration other than cash or as a bonus issue:

Date of allotment	Reason for / nature of allotment	Details of shareholders and equity shares allotted			Face value (₹)	Issue price per share (₹)	No. of equity shares allotted	Benefits accrued to our Company
July 24, 2023	Scheme of Amalgamation[(1)]	Allotment of equity shares was as follows:			10	-	5,027,418	The Scheme of Amalgamation has ensured a creation of a combined entity, optimum use of infrastructure, cost reduction, efficiency in cash and debt management and unfettered access to cash flow generated by the combined business, elimination of duplication and multiplicity of compliance requirements, rationalization of administrative expenses and better administration and creating value for the shareholders.
		S. No	**Name of allottee**	**Equity shares allotted**				
		1.	Alprishi Realtors LLP	62,125				
		2.	Ashtapad Trading LLP	4,375				
		3.	Hardik Suresh Matalia	2,450				
		4.	Karan Balkrishna Shah	2,188				
		5.	Ketan Arvind Shah (held jointly with Arvind Kantilal Shah)	2,100				
		6.	Manish Mavji Dedhia	2,188				
		7.	Damji Manek Gada	2,188				
		8.	Dina Damji Gada	2,188				
		9.	Kruti Sagar Sheth	2,100				

Date of allotment	Reason for / nature of allotment	Details of shareholders and equity shares allotted			Face value (₹)	Issue price per share (₹)	No. of equity shares allotted	Benefits accrued to our Company
		10.	Taral V Nagda	2,100				
		11.	Dipti Pankaj Gosrani	2,100				
		12.	Parag Bipinchandra Shah	2,450				
		13.	Sheetal Dugar	93,625				
		14.	Elixir Commercial and Advisory Services LLP	2,800				
		15.	Suvarna Mayank Shah (held jointly with Mayank Pravinchandra Shah)	4,375				
		16.	Bina Vidyut Shah	2,800				
		17.	Kirti Mavji Malde (HUF)	2,275				
		18.	Bhagyashree Anil Sawant	875				
		19.	Anil Bhavanji Shah (held jointly with Darshana Anil Shah)	31,063				
		20.	Arvind Kanji Chheda (held jointly with Ranjan Arvind Chheda)	8,750				
		21.	Neelam Ashok Chheda	4,375				
		22.	Bhaveshkumar Bachubhai Mehta	54,250				
		23.	Bhavesh Dhirajlal Sheth (held jointly with Rita Bhavesh Sheth)	1,313				
		24.	Intellect Endeavours LLP	7,000				
		25.	Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri)	46,725				
		26.	Dhanvallabh Ventures Fund - Scheme I	93,013				
		27.	Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	221,120				
		28.	Narendra Murji Dedhia (held jointly with Dina Narendra Dedhia)	11,813				
		29.	Devesh Rajesh Kabra	1,750				
		30.	Dinesh Devchand Ghalla (held jointly with Priti Dinesh Ghalla)	2,625				
		31.	Harit Pragji Shah (held jointly with Jayshree Harit Shah)	7,000				
		32.	Jayshree Harit Shah (held jointly with Harit Pragji Shah)	26,250				
		33.	Vicky Hemchand Gala (held jointly with Beena Vicky Gala)	9,188				
		34.	Rupal Bharat Pasad	1,313				

Date of allotment	Reason for / nature of allotment	Details of shareholders and equity shares allotted			Face value (₹)	Issue price per share (₹)	No. of equity shares allotted	Benefits accrued to our Company
		35.	Indira Madan Dedhia (held jointly with Madan Dhanji Dedhia)	3,500				
		36.	Kalpen Madan Dedhia (held jointly with Deepali Kalpen Dedhia)	4,375				
		37.	Kinnari Kartik Dedhia (held jointly with Kartik Kantilal Dedhia)	4,375				
		38.	Ishan Sudhir Gosar	1,750				
		39.	Jayesh Lakhamshi Haria	2,625				
		40.	Hemlata Rasiklal Gala	1,313				
		41.	Jiggar L Savla	1,313				
		42.	Ketan Dharshi Savla (held jointly with Rekha Ketan Savla)	1,313				
		43.	Kiran Dhiren Gogri	4,813				
		44.	Kirit Ratilal Mehta (held jointly with Smita Kirit Mehta)	875				
		45.	Mandakini Komal Shah (held jointly with Komalbhai Muljibhai Shah)	1,925				
		46.	Nemin Mahesh Savadia (held jointly with Mahesh Mathuradas Savadia)	5,250				
		47.	Mahesh Premji Vikam	9,275				
		48.	Rashmi Kiran Nandu	2,625				
		49.	Malay Kiran Nandu	1,750				
		50.	Mangal Viram Gadhavi (held jointly with Palubhai Virambhai Gadhavi)	1,750				
		51.	Manoj Mulji Chheda	5,250				
		52.	Mansukh Premji Gala	1,313				
		53.	Chandni Milan Maheshwari	1,313				
		54.	Maya M Savla (held jointly with Mulesh Manilal Savla)	11,375				
		55.	Maitry Nikhil Shah	1,750				
		56.	Neeta Navin Nagda	3,938				
		57.	Navin Chapshi Shah	4,375				
		58.	Neerav Dhirajlal Gala	1,750				
		59.	Alpa Jayesh Keniya	875				
		60.	Palubhai Virambhai Gadhavi (held jointly with Mangal Viram Gadhavi)	1,750				
		61.	Paresh S Kariya (held jointly with Purvi P Karia)	6,563				

Date of allotment	Reason for / nature of allotment	Details of shareholders and equity shares allotted			Face value (₹)	Issue price per share (₹)	No. of equity shares allotted	Benefits accrued to our Company
		62.	Paresh Shashikant Shah (held jointly with Varsha Paresh Shah)	1,313				
		63.	Nikhil Holdings Private Limited	17,500				
		64.	Parindu Bansilal Gogri Trust	9,363				
		65.	Parul Yogesh Nahar	18,550				
		66.	Krishna Yogesh Nahar	4,550				
		67.	Pravin Jakhubhai Nandu	875				
		68.	Pravinchandra Valji Rambhia (held jointly with Dhaval P Rambhia)	1,313				
		69.	Priyank Mukesh Dedhia (held jointly with Mukesh Dhirajlal Dedhia)	2,188				
		70.	Purnima Paresh Satra (held jointly with Paresh Maganlal Satra)	875				
		71.	Rishita Jatin Karani	4,813				
		72.	Sangoi Nirav Ramnik	1,313				
		73.	Aar Em Ventures LLP	36,750				
		74.	Sagar Mahesh Tanna	1,750				
		75.	Parul Samir Shah (held jointly with Samir Pragji Shah)	3,063				
		76.	Sandeep Gupta	1,750				
		77.	Santosh Shantilal Vora (held jointly with Shantilal Shivji Vora and Kanchan Shantilal Vora)	13,563				
		78.	Shantilal Shivji Vora (held jointly with Kanchan Shantilal Vora)	13,563				
		79.	Kanchan Shantilal Vora (held jointly with Shantilal Shivji Vora)	13,563				
		80.	Rachi Santosh Vora (held jointly with Santosh Shantilal Vora and Shantilal Shivji Vora)	13,563				
		81.	Sarvam Realties LLP	1,393				
		82.	Neha Garewal	18,375				
		83.	Heena Bhatia	18,375				
		84.	Kalpana Sudhir Bheda (held jointly with Sudhir Shivji Bheda)	17,500				
		85.	Alpa Sunil Chheda	7,875				
		86.	Bhavini Nimesh Maru	875				
		87.	Jitesh Jaswantlal Shah	263				

Date of allotment	Reason for / nature of allotment	Details of shareholders and equity shares allotted			Face value (₹)	Issue price per share (₹)	No. of equity shares allotted	Benefits accrued to our Company
		88.	Varsha Rajaram Galvankar (held jointly with Neela Rajaram Galvankar)	875				
		89.	Vignesh Shivji Bheda	4,375				
		90.	Narendra Vasanji Mamania (held jointly with Jinal Narendra Mamania)	4,375				
		91.	Vijay Vasanji Mamania (held jointly with Narendra Vasanji Mamania)	5,250				
		92.	Seema Vikram Shah (held jointly with Vikram Talakshi Shah)	1,750				
		93.	Prajay Vikram Shah (held jointly with Seema Vikram Shah)	1,750				
		94.	Vipul Ramesh Vira (held jointly with Priti Vipul Vira)	1,313				
		95.	Hasmukh Devraj Gala	875				
		96.	Virchand Premji Gala	875				
		97.	Hitesh M Bhanushali	438				
		98.	Faizan Abdul Gaffar Chaudhary	5,110				
		99.	Priti Piyush Shah	14,175				
		100.	Ruchi Umrao	875				
		101.	Ashish Sharma	4,183				
		102.	Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)	1,205,698				
		103.	Saketchandrasingh Pratapsingh Dhandoriya	562,275				
		104.	Aparna Vivek Kapoor	274,778				
		105.	Rajesh Kesavan Nambisan	374,801				
		106.	Sandeep Sambhaji Parab	374,801				
		107.	Kumaraguru Madurakavi	374,801				
		108.	Jyoti Subodh Sapre	227,467				
		109.	Sarvesh Kumar Garg	374,801				
		110.	Veera Venkata Satyanarayana Yannamani	174,974				
		Total		**5,027,418**				
September 5, 2024	Bonus Issue in ratio of two Equity Shares for every one Equity Share held in our	Allotment of Equity Shares was as follows:			2	-	62,274,180	NA

Date of allotment	Reason for / nature of allotment	Details of shareholders and equity shares allotted			Face value (₹)	Issue price per share (₹)	No. of equity shares allotted	Benefits accrued to our Company
		S. No.	**Name Of Allottee**	**Equity shares allotted**				
	Company by the Shareholders as on the record date i.e. i.e. September 4, 2024.	1.	Aakansha Unichem LLP	1,670,000				
		2.	Aar Em Ventures LLP	367,500				
		3.	Ajay Bhupendrabhai Gajjar	5,000				
		4.	Ajit Dhondiram Marathe	10,000				
		5.	Alpa Jayesh Keniya	8,750				
		6.	Alpa Sunil Chheda	153,750				
		7.	Amit Anil Sawant	40,000				
		8.	Anil Bhavanji Shah (held jointly with Darshana Anil Shah)	235,630				
		9.	Arvind Kanji Chheda (held jointly with Ranjan Arvind Chheda)	87,500				
		10.	Ashish Sharma	41,830				
		11.	Ashtapad Trading LLP	43,750				
		12.	Asolkar Tradecraft Private Limited	3,318,880				
		13.	Astik Pramod Singh	1,000				
		14.	Bhagyashree Anil Sawant	8,750				
		15.	Bhavesh Dhirajlal Sheth (held jointly with Rita Bhavesh Sheth)	13,130				
		16.	Bhaveshkumar Bachubhai Mehta	542,500				
		17.	Bhavini Nimesh Maru	8,750				
		18.	Bina Vidyut Shah	28,000				
		19.	Chandni Milan Maheshwari	13,130				
		20.	Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri)	567,250				
		21.	Damji Manek Gada	21,880				
		22.	Darsh Narendra Mamania	10,000				
		23.	Deepak Jethalal Haria	5,000				
		24.	Devesh Rajesh Kabra	5,300				
		25.	Dhanvallabh Ventures Fund - Scheme I	930,130				
		26.	Dina Damji Gada	21,880				
		27.	Dina Narendra Dedhia (held jointly with Narendra Murji Dedhia)	50,000				
		28.	Dinesh Devchand Ghalla (held jointly with Priti Dinesh Ghalla)	26,250				
		29.	Dipti Pankaj Gosrani	21,000				

Date of allotment	Reason for / nature of allotment	Details of shareholders and equity shares allotted			Face value (₹)	Issue price per share (₹)	No. of equity shares allotted	Benefits accrued to our Company
		30.	Elixir Commercial and Advisory Services LLP	28,000				
		31.	Faizan Abdul Gaffar Chaudhary	51,100				
		32.	Ganesh Kandaswamy Thevar	10,000				
		33.	Gour Sharadchandra	10,000				
		34.	Hardik Suresh Matalia	24,500				
		35.	Harit Pragji Shah (held jointly with Jayshree Harit Shah)	70,000				
		36.	Harshita Deepak Haria	20,000				
		37.	Hasmukh Devraj Gala	8,750				
		38.	Heena Bhatia	183,750				
		39.	Hemali Rohit Gada	20,000				
		40.	Hemlata Rasiklal Gala	13,130				
		41.	Hitesh M Bhanushali	4,380				
		42.	Indira Madan Dedhia (held jointly with Madan Dhanji Dedhia)	35,000				
		43.	Intellect Endeavours LLP	70,000				
		44.	Jaswantlal Maganlal Shah	1,310				
		45.	Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	3,832,900				
		46.	Jayesh Lakhamshi Haria	36,250				
		47.	Jayshree Harit Shah (held jointly with Harit Pragji Shah)	312,500				
		48.	Jiggar L Savla	13,130				
		49.	Jyoti Subodh Sapre	2,274,670				
		50.	Kalpana Sudhir Bheda (held jointly with Sudhir Shivji Bheda)	175,000				
		51.	Kalpen Madan Dedhia (held jointly with Deepali Kalpen Dedhia)	268,750				
		52.	Kanchan Shantilal Vora (held jointly with Shantilal Shivji Vora)	135,630				
		53.	Karan Balkrishna Shah	21,880				
		54.	Ketan Arvind Shah (held jointly with Arvind Kantilal Shah)	21,000				
		55.	Ketan Dharshi Savla (held jointly with Rekha Ketan Savla)	13,130				
		56.	Kinnari Kartik Dedhia (held jointly	88,750				

Date of allotment	Reason for / nature of allotment	Details of shareholders and equity shares allotted			Face value (₹)	Issue price per share (₹)	No. of equity shares allotted	Benefits accrued to our Company
			with Kartik Kantilal Dedhia)					
		57.	Kiran Dhiren Gogri	48,130				
		58.	Kirit Ratilal Mehta (held jointly with Smita Kirit Mehta)	8,750				
		59.	Kirti Mavji Malde (HUF) Karta Name: Kirti	22,750				
		60.	Krisha Yogesh Nahar	45,500				
		61.	Kruti Sagar Sheth	21,000				
		62.	Lalit Motwani (held jointly with Mala Motwani)	5,000				
		63.	Kumaraguru Madurakavi	3,061,810				
		64.	Madhubala Ketan Gada	20,000				
		65.	Mahendra Pandharinath Ingale	10,000				
		66.	Mahesh Premji Vikam	92,750				
		67.	Maitry Nikhil Shah	17,500				
		68.	Malay Kiran Nandu	17,000				
		69.	Mandakini Komal Shah (held jointly with Komal Murji Shah)	19,250				
		70.	Mandar Dinkar Desai (held jointly with Shruti Mandar Desai)	50,000				
		71.	Mangal Viram Gadhavi (held jointly with Palubhai Virambhai Gadhavi)	17,500				
		72.	Manish Mavji Dedhia (held jointly with Jalpa Manish Dedhia)	21,880				
		73.	Manjulaben Popatlal Gala	20,000				
		74.	Manoj Mulji Chheda	52,500				
		75.	Mansukh Premji Gala	13,130				
		76.	Maya M Savla (held jointly with Mulesh Manilal Savla)	113,750				
		77.	Minal Chandulal Gala (held jointly with Mulraj Chandulal Gala)	90,000				
		78.	Mulraj Chandulal Gala (held jointly with Hetal Gogri Gala)	225,000				
		79.	Narendra Murji Dedhia (held jointly with Dina Narendra Dedhia)	168,130				
		80.	Narendra Vasanji Mamania (held jointly with Jinal Narendra Mamania)	43,750				
		81.	Navin Chapshi Shah	43,750				

Date of allotment	Reason for / nature of allotment	Details of shareholders and equity shares allotted			Face value (₹)	Issue price per share (₹)	No. of equity shares allotted	Benefits accrued to our Company
		82.	Neelam Ashok Chheda	43,750				
		83.	Neerav Dhirajlal Gala	31,000				
		84.	Neeta Navin Nagda	39,380				
		85.	Neha Rajen Gada (held jointly with Rajen Hemchand Gada)	12,500				
		86.	Nehal Garewal	183,750				
		87.	Nemin Mahesh Savadia (held jointly with Mahesh Mathuradas Savadia)	52,500				
		88.	Nikhil Holdings Private Limited	236,100				
		89.	Niral Komal Shah	90,000				
		90.	Ojas Sudhir Gosar	17,000				
		91.	Ojas Sudhir Gosar	17,500				
		92.	Palubhai Virambhai Gadhavi (held jointly with Mangal Viram Gadhavi)	17,500				
		93.	Parag Bipin Shah	24,500				
		94.	Paresh Shantilal Kariya (held jointly with Purvi Paresh Kariya)	65,630				
		95.	Paresh Shashikant Shah (held jointly with Varsha Paresh Shah)	13,130				
		96.	Parimal Hasmukhlal Desai	108,900				
		97.	Parindu Bansilal Gogri Trust (Representative Rashesh Chandrakant Gogri Chandrakant Vallabhaji Gogri Hetal Gogri Gala)	93,630				
		98.	Parul Samir Shah (held jointly with Samir Pragji Shah)	30,630				
		99.	Parul Yogesh Nahar	185,500				
		100.	Payal Viral Shah (held jointly with Hansa Hasmukh Shah)	15,000				
		101.	Prajay Vikram Shah (held jointly with Seema Vikram Shah)	17,500				
		102.	Prashant Jagannath Mohokar	7,500				
		103.	Pravin Jakhubhai Nandu	8,750				
		104.	Pravinchandra Valji Rambhia (held jointly with Dhaval P Rambhia)	13,130				
		105.	Priti Piyush Shah	141,750				
		106.	Priyank Mukesh Dedhia (held jointly with Mukesh Dhirajlal Dedhia)	19,380				
		107.	Purnima Paresh Satra (held jointly	8,750				

Date of allotment	Reason for / nature of allotment	Details of shareholders and equity shares allotted			Face value (₹)	Issue price per share (₹)	No. of equity shares allotted	Benefits accrued to our Company
			with Paresh Maganlal Satra)					
		108.	Rachi Santosh Vora (held jointly with Santosh Shantilal Vora and Shantilal Shivji Vora)	135,630				
		109.	Rajen Hemchand Gada (held jointly with Neha Rajen Gada)	12,500				
		110.	Rajesh Kabra	21,200				
		111.	Rajesh Lalji Sangoi	15,000				
		112.	Rajesh Kesavan Nambisan	3,061,810				
		113.	Rashmi Kiran Nandu	26,250				
		114.	Rishita Jatin Karani	48,130				
		115.	Riya Alpesh Shah	121,250				
		116.	Rohan Manohar Kharche	10,000				
		117.	Ruchi Umrao	8,750				
		118.	Rupal Bharat Pasad	13,130				
		119.	Sagar Mahesh Tanna	50,000				
		120.	Saketchandrasingh Pratapsingh Dhandoriya	5,622,750				
		121.	Sandeep Gupta	17,500				
		122.	Sandeep Sambhaji Parab	3,061,810				
		123.	Sandeep Sudhakar Asolkar	9,000,000				
		124.	Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)	12,056,980				
		125.	Sangoi Nirav Ramnik	13,130				
		126.	Santosh Shantilal Vora (held jointly with Shantilal Shivji Vora and Kanchan Shantilal Vora)	135,630				
		127.	Sarvam Realities LLP	13,930				
		128.	Sarvesh Kumar Garg	3,684,810				
		129.	Seema Vikram Shah (held jointly with Vikram Talakshi Shah)	17,500				
		130.	Shantilal Shivji Vora (held jointly with Kanchan Shantilal Vora)	135,630				
		131.	Sheetal Dugar	936,250				
		132.	Shilpa Alpesh Shah	500,000				
		133.	Sudhir Vasant Sane	10,000				
		134.	Suvarna Mayank Shah (held jointly with Mayank Pravinchandra Shah)	43,750				

Date of allotment	Reason for / nature of allotment	Details of shareholders and equity shares allotted			Face value (₹)	Issue price per share (₹)	No. of equity shares allotted	Benefits accrued to our Company
		135.	Tanvi Vaibhav Shah	1,320				
		136.	Taral V Nagda	21,000				
		137.	Varsha Rajaram Galvankar (held jointly with Neela Rajaram Galvankar)	13,750				
		138.	Veera Venkata Satyanarayana Yannamani	1,429,240				
		139.	Vicky Hemchand Gala (held jointly with Beena Vicky Gala)	91,880				
		140.	Vignesh Shivji Bheda	43,750				
		141.	Vijay Vasanji Mamania	400				
		142.	Vijay Vasanji Mamania (held jointly with Narendra Vasanji Mamania)	66,100				
		143.	Vinod Lalji Sangoi	15,000				
		144.	Vipul Ramesh Vira (held jointly with Priti Vipul Vira)	13,130				
		145.	Virchand Premji Gala	8,750				
		146.	Virendra Vijay Rane	50,000				
		147.	Yatrik Chandresh Sheth	2,500				
			Total	**62,274,180**				

(1) *For further details on the Scheme of Amalgamation, see "History and Certain Corporate Matters— Mergers or amalgamations" on page 289.*

3. ***Equity Shares allotted in terms of any schemes of arrangement***

Except for the allotment of 5,027,418 equity shares on July 24, 2023, pursuant to the Scheme of Amalgamation, our Company has not allotted any Equity Shares in terms of any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-234 of the Companies Act, 2013. For further details in relation to the Scheme of Amalgamation, see '*History and Certain Corporate Maters – Mergers or amalgamations*' on page 289.

4. ***Shares allotted at a price lower than the Offer Price in the last year***

The Offer Price shall be determined by our Company, in consultation with the BRLMs after the Bid / Offer Closing Date. Except for the allotment of Equity Shares on September 5, 2024, pursuant to a bonus issue, our Company has not issued any shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Draft Red Herring Prospectus. For further details in relation to the allotment of Equity Shares on September 5, 2024, including the nature of allotment and names of the allottees, being Promoters, members of the Promoter Group and other shareholders, see '*Notes to the Capital Structure – Equity share capital history of our Company*' on page 104.

5. As on the date of this Draft Red Herring Prospectus, our Company does not have any outstanding preference share capital.

6. **Details of Shareholding of our Promoters and members of the Promoter Group in the Company**

(i) ***Equity Shareholding of the Promoters***

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 40,019,595 Equity Shares, equivalent to 42.84% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below.

S. No.	Name of the Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital*	
		No. of Equity Shares	% of total Shareholding	No. of Equity Shares	% of total Shareholding
1.	Sandeep Sudhakar Asolkar	13,500,000	14.45%	[●]	[●]
2.	Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)	18,085,470	19.36%	[●]	[●]
3.	Saketchandrasingh Pratapsingh Dhandoriya	8,434,125	9.03%	[●]	[●]
	Total	**40,019,595**	**42.84%**	[●]	[●]

** Subject to finalisation of Basis of Allotment*

(ii) All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

(iii) ***Build-up of the Promoters, members of Promoter Group and Selling Shareholders shareholding in our Company***

The build-up of the Equity Shareholding of our Promoters, members of Promoter Group and Selling Shareholders since the incorporation of our Company is set forth in the table below

Date of Allotment/ Transfer / Transmission	Nature of transaction	No. of equity shares	Face value per equity share (₹)	Issue Price / Transfer Price per equity share (₹)	Percentage of pre-Offer equity share capital	Percentage of post-Offer equity share capital
(i) Promoters						
(A) Sandeep Sudhakar Asolkar^						
March 29, 2005	Initial subscription to the Memorandum of Association of the Company.	45,000	10	10	0.24%	[●]

Date of Allotment/ Transfer / Transmission	Nature of transaction	No. of equity shares	Face value per equity share (₹)	Issue Price / Transfer Price per equity share (₹)	Percentage of pre-Offer equity share capital	Percentage of post-Offer equity share capital
March 28, 2007	Further issue of equity shares	115,000	10	10	0.62%	[●]
January 28, 2008	Further issue of equity shares	10,000	10	10	0.05%	[●]
March 31, 2008	Further issue of equity shares	130,000	10	10	0.70%	[●]
September 2, 2008	Further issue of equity shares	200,000	10	10	1.07%	[●]
September 15, 2008	Further issue of equity shares	100,000	10	10	0.54%	[●]
May 20, 2015	Transfer of equity shares by Gunnar Demoulin.	300,000	10	0.02	1.61%	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital of Sandeep Sudhakar Asolkar was sub-divided from 900,000 equity shares of ₹10 each to 4,500,000 Equity Shares of ₹2 each.						
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	9,000,000	2	-	9.63%	[●]
Sub-total (A)		**13,500,000**			**14.45%**	**[●]**
(B) Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)^						
July 24, 2023	Allotment pursuant to the Scheme of Amalgamation*	1,205,698	10	-	6.45%	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital held by Sandeep Sudhakar Asolkar (jointly with Priya Sandeep Asolkar) was sub-divided from 1,205,698 equity shares of ₹10 each to 6,028,490 Equity Shares of ₹2 each.						
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	12,056,980	2	-	12.91%	[●]
Sub-total (B)		**18,085,470**			**19.36%**	**[●]**
(C) Saketchandrasingh Pratapsingh Dhandoriya^						
July 24, 2023	Allotment pursuant to the Scheme of Amalgamation*	562,275	10	-	3.01%	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital held by Saketchandrasingh Pratapsingh Dhandoriya was sub-divided from 562,275 equity shares of ₹10 each to 2,811,375 Equity Shares of ₹2 each.						
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	5,622,750	2	-	6.02%	[●]
Sub-total (C)		**8,434,125**			9.03%	**[●]**
Grand Total (A)+(B)+(C)		**40,019,595**			**42.84%**	**[●]**
(ii)**Members of Promoter Group**						
Asolkar Tradecraft Private Limited						
April 30, 2024	Transfer of equity shares by Aparna Vivek Kapoor.	331,888	10	1,125	1.78%	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital held by Asolkar Tradecraft Private Limited was sub-divided from 331,888 equity shares of ₹10 each to 1,659,440 Equity Shares of ₹2 each.						
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	3,318,880	2	-	3.55%	[●]

Date of Allotment/ Transfer / Transmission	Nature of transaction	No. of equity shares	Face value per equity share (₹)	Issue Price / Transfer Price per equity share (₹)	Percentage of pre-Offer equity share capital	Percentage of post-Offer equity share capital
Total		**4,978,320**			**5.33%**	**[●]**
(iii) **Selling Shareholders**						
(A) Rajesh Kesavan Nambisan						
July 24, 2023	Allotment pursuant to the Scheme of Amalgamation*	374,801	10	-	2.01%	[●]
October 11, 2023	Transfer of equity shares to Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	(6,320)	10	1,076	(0.03%)	[●]
November 10, 2023	Transfer of equity shares to Kinnari Kartik Dedhia (held jointly with Kartik Kantilal Dedhia)	(4,500)	10	1,125	(0.02%)	[●]
	Transfer of equity shares to Alpa Sunil Chheda	(7,500)	10	1,125	(0.04%)	[●]
	Transfer of equity shares to Kalpen Madan Dedhia (held jointly with Deepali Kalpen Dedhia)	(22,500)	10	1,125	(0.12%)	[●]
November 20, 2023	Transfer of equity shares to Aakansha Unichem LLP	(800)	10	1,125	(0.00%)	[●]
	Transfer of equity shares to Minal Chandulal Gala (held jointly with Mulraj Chandulal Gala)	(9,000)	10	1,125	(0.05%)	[●]
	Transfer of equity shares to Dina Narendra Dedhia (held jointly with Narendra Murji Dedhia)	(5,000)	10	1,125	(0.03%)	[●]
	Transfer of equity shares to Payal Viral Shah (held jointly with Hansa Hasmukh Shah)	(1,500)	10	1,125	(0.01%)	[●]
	Transfer of equity shares to Narendra Murji Dedhia (held jointly with Dina Narendra Dedhia)	(5,000)	10	1,125	(0.03%)	[●]
February 1, 2024	Transfer of equity shares to Deepak Jethalal Haria	(500)	10	1,125	(0.00%)	[●]
	Transfer of equity shares to Bharati Vipul Gala	(2,000)	10	1,125	(0.01%)	[●]
	Transfer of equity shares to Manjulaben Popatlal Gala	(2,000)	10	1,125	(0.01%)	[●]
	Transfer of equity shares to Hetal Viral Gala	(2,000)	10	1,125	(0.01%)	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital of held by Rajesh Kesavan Nambisan was sub-divided from 306,181 equity shares of ₹10 each to 1,530,905 Equity Shares of ₹2 each.						
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	3,061,810	2	-	3.28%	[●]
Sub-total (A)		**4,592,715**			**4.92%**	**[●]**
(B) Sandeep Sambhaji Parab						

Date of Allotment/ Transfer / Transmission	Nature of transaction	No. of equity shares	Face value per equity share (₹)	Issue Price / Transfer Price per equity share (₹)	Percentage of pre-Offer equity share capital	Percentage of post-Offer equity share capital
July 24, 2023	Allotment pursuant to the Scheme of Amalgamation*	374,801	10	-	2.01%	[●]
October 11, 2023	Transfer of equity shares to Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	(6,320)	10	1,076	(0.03%)	[●]
December 7, 2023	Transfer of equity shares to Madhubala Ketan Gada	(2,000)	10	1,125	(0.01%)	[●]
	Transfer of equity shares to Bina Ramnik Sangoi	(3,000)	10	1,125	(0.02%)	[●]
	Transfer of equity shares to Hemali Rohit Gada	(2,000)	10	1,125	(0.01%)	[●]
	Transfer of equity shares to Ramnik Lalji Sangoi	(6,000)	10	1,125	(0.03%)	[●]
	Transfer of equity shares to Parimal Hasmukh Desai	(28,890)	10	1,125	(0.15%)	[●]
December 14, 2023	Transfer of equity shares to Niral Komal Shah	(9,000)	10	1,125	(0.05%)	[●]
	Transfer of equity shares to Nikhil Holdings Private Limited	(6,110)	10	1,125	(0.03%)	[●]
	Transfer of equity shares to Aakansha Unichem LLP	(5,300)	10	1,125	(0.03%)	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital held by Sandeep Sambhaji Parab was sub-divided from 306,181 equity shares of ₹10 each to 1,530,905 Equity Shares of ₹2 each.						
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	3,061,810	2	-	3.28%	[●]
Sub-total (B)		**4,592,715**			**4.92%**	**[●]**
(C) Kumaraguru Madurakavi						
July 24, 2023	Allotment pursuant to the Scheme of Amalgamation*	374,801	10	-	2.01%	[●]
October 17, 2023	Transfer of equity shares to Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	(6,320)	10	1,076	(0.03%)	[●]
November 6, 2023	Transfer of equity shares to Aakansha Unichem LLP	(62,300)	10	1,125	(0.33%)	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital held by Kumaraguru Madurakavi was sub-divided from 306,181 equity shares of ₹10 each to 1,530,905 Equity Shares of ₹2 each.						
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	3,061,810	2	-	3.28%	[●]
Sub-total (C)		**4,592,715**			**4.92%**	**[●]**

Date of Allotment/ Transfer / Transmission	Nature of transaction	No. of equity shares	Face value per equity share (₹)	Issue Price / Transfer Price per equity share (₹)	Percentage of pre-Offer equity share capital	Percentage of post-Offer equity share capital
(D) Veera Venkata Satyanarayana Yannamani						
July 24, 2023	Allotment pursuant to the Scheme of Amalgamation*	174,974	10	-	0.94%	[●]
October 6, 2023	Transfer of equity shares to Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	(2,950)	10	1,076	(0.02%)	[●]
November 13, 2023	Transfer of equity shares to Aakansha Unichem LLP	(29,100)	10	1,125	(0.16%)	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital held by Veera Venkata Satyanarayana Yannamani was sub-divided from 142,924 equity shares of ₹10 each to 714,620 Equity Shares of ₹2 each.						
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	1,429,240	2	-	1.53%	[●]
Sub-total (D)		**2,143,860**			**2.30%**	**[●]**
(E) Sarvesh Kumar Garg						
July 24, 2023	Allotment pursuant to the Scheme of Amalgamation*	374,801	10	-	2.01%	[●]
September 25, 2023	Transfer of equity shares to Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	(6,320)	10	1,076	(0.03%)	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital held by Sarvesh Kumar Garg was sub-divided from 368,481 equity shares of ₹10 each to 1,842,405 Equity Shares of ₹2 each.						
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	3,684,810	2	-	3.94%	[●]
Sub-total (E)		**5,527,215**			**5.92%**	**[●]**
(F) Sagar Mahesh Tanna						
July 24, 2023	Allotment pursuant to the Scheme of Amalgamation*	1,750	10	-	0.01%	[●]
October 6, 2023	Transfer of equity shares from Aparna Vivek Kapoor	1,250	10	1,076	0.01%	[●]
November 7, 2023	Transfer of equity shares from Aparna Vivek Kapoor	2,000	10	1,125	0.01%	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital held by Sagar Mahesh Tanna was sub-divided from 5,000 equity shares of ₹10 each to 25,000 Equity Shares of ₹2 each.						
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	50,000	2	-	0.05%	[●]
Sub-total (F)		**75,000**			**0.08%**	**[●]**

Date of Allotment/ Transfer / Transmission	Nature of transaction	No. of equity shares	Face value per equity share (₹)	Issue Price / Transfer Price per equity share (₹)	Percentage of pre-Offer equity share capital	Percentage of post-Offer equity share capital
(G) Jayashree Harit Shah (held jointly with Harit Pragji Shah)						
July 24, 2023	Allotment pursuant to the Scheme of Amalgamation*	26,250	10	-	0.14%	[●]
February 21, 2024	Transfer of equity shares from Aparna Vivek Kapoor	5,000	10	1,125	0.03%	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital of held by Jayashree Harit Shah (jointly with Harit Pragji Shah) was sub-divided from 31,250 equity shares of ₹10 each to 156,250 Equity Shares of ₹2 each.						
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	312,500	2	-	0.33%	[●]
Sub-total (G)		**468,750**			**0.50%**	**[●]**
(H) Jyoti Subodh Sapre						
July 24, 2023	Allotment pursuant to the Scheme of Amalgamation*	227,467	10	-	1.22%	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital held by Jyoti Subodh Sapre was sub-divided from 227,467 equity shares of ₹10 each to 1,137,335 Equity Shares of ₹2 each.						
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	2,274,670	2	-	2.44%	[●]
Sub-total (H)		**3,412,005**			**3.65%**	**[●]**
(I) Parindu Bansilal Gogri Trust						
July 24, 2023	Allotment pursuant to the Scheme of Amalgamation*	9,363	10	-	0.05%	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital held by Parindu Bansilal Gogri Trust was sub-divided from 9,363 equity shares of ₹10 each to 46,815 Equity Shares of ₹2 each.						
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	93,630	2	-	0.10%	[●]
Sub-total (I)		**140,445**			**0.15%**	**[●]**
(J) Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri)						
July 24, 2023	Allotment pursuant to the Scheme of Amalgamation*	46,725	10	-	0.25%	[●]
April 10, 2024	Transfer of equity shares from Bharati Vipul Gala	2,000	10	1,125	0.01%	[●]
April 12, 2024	Transfer of equity shares from Hetal Viral Gala	2,000	10	1,125	0.01%	[●]
July 19, 2024	Transfer of equity shares from Ramnik Lalji Sangoi	3,000	10	1,125	0.02%	[●]
July 19, 2024	Transfer of equity shares from Bina Ramnik Sangoi	3,000	10	1,125	0.02%	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital held by Chandrakant Vallabhaji Gogri (jointly with Jaya Chandrakant Gogri) was sub-divided from 56,725 equity shares of ₹10 each to 283,625 Equity Shares of ₹2 each.						

Date of Allotment/ Transfer / Transmission	Nature of transaction	No. of equity shares	Face value per equity share (₹)	Issue Price / Transfer Price per equity share (₹)	Percentage of pre-Offer equity share capital	Percentage of post-Offer equity share capital
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	567,250	2	-	0.61%	[●]
Sub-total (J)		**850,875**			**0.91%**	**[●]**
(K) Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)						
July 24, 2023	Allotment pursuant to the Scheme of Amalgamation*	221,120	10	-	1.18%	[●]
October 6, 2023	Transfer of equity shares from Veera Venkata Satyanarayana Yannamani	2,950	10	1,076	0.02%	[●]
	Transfer of equity shares from Aparna Vivek Kapoor	8,440	10	1,076	0.05%	[●]
October 11, 2023	Transfer of equity shares from Rajesh Kesavan Nambisan	6,320	10	1,076	0.03%	[●]
	Transfer of equity shares from Sandeep Sambhaji Parab	6,320	10	1,076	0.03%	[●]
October 17, 2023	Transfer of equity shares from Kumaraguru Madurakavi	6,320	10	1,076	0.03%	[●]
October 26, 2023	Transfer of equity shares from Sarvesh Kumar Garg	6,320	10	1,076	0.03%	[●]
November 21, 2023	Transfer of equity shares from Aparna Vivek Kapoor	100,000	10	1,125	0.54%	[●]
March 26, 2024	Transfer of equity shares from Parimal Hasmukhlal Desai	18,000	10	1,125	0.10%	[●]
April 10, 2024	Transfer of equity shares from Anil Bhavanji Shah (held jointly with Darshana Anil Shah)	7,500	10	1,125	0.04%	[●]
Pursuant to resolutions dated August 14, 2024 and September 5, 2024 passed by our Board and the Shareholders, our Company has sub-divided its equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each. Accordingly, the issued and paid-up equity share capital held by Jaya Chandrakant Gogri (jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala) was sub-divided from 383,290 equity shares of ₹10 each to 1,916,450 Equity Shares of ₹2 each.						
September 5, 2024	Bonus issue in ratio of two Equity Shares for every one Equity Share held	3,832,900	2	-	4.10%	[●]
Sub-total (K)		**5,749,350**			**6.15%**	**[●]**
Grand Total (A) + (B) + (C) + (D) + (E) + (F) + (G) + (H) + (I) + (J) + (K)		**32,145,645**			**34.41%**	**[●]**

^Also, Promoter Selling Shareholders.
** For further details on the Scheme of Amalgamation, see "History and Certain Corporate Matters— Mergers or amalgamations" on page 289.*

(iv) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.

(v) As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged or otherwise encumbered.

(vi) ***Equity Shareholding of the Promoter Group***

As on the date of this Draft Red Herring Prospectus, the members of our Promoter Group (other than our Promoters) collectively hold 4,978,320 Equity Shares, equivalent to 5.33% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below:

S. No.	Name of the Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital*	
		No. of Equity Shares	% of total Share-holding	No. of Equity Shares	% of total Share-holding
1.	Asolkar Tradecraft Private Limited	4,978,320	5.33%	[●]	[●]
	Total	**4,978,320**	**5.33%**	[●]	[●]

** Subject to finalisation of Basis of Allotment*

(vii) Except as disclosed in "– *Build-up of the Promoters, members of Promoter Group and Selling Shareholders shareholding in our Company*" on page 126, none of the members of the Promoter Group, the Promoters, the Directors of our Company, nor any of their respective relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

(viii) There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors, or their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus**.**

(ix) ***Details of minimum Promoters' contribution locked in for eighteen months or any other period as may be prescribed under applicable law***

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be considered as minimum promoters' contribution and locked-in for a period of eighteen months or any other period as may be prescribed under applicable law, from the date of Allotment ("**Promoter's Contribution**"). Our Promoters' shareholding in excess of 20% shall be locked in for a period of six months from the Allotment. As on the date of this Draft Red Herring Prospectus, our Promoters hold 40,019,595 Equity Shares, constituting 42.84% of our Company's issued, subscribed and paid-up Equity Share capital, all of which are eligible for Promoters' Contribution.

Our Promoters have given consent to include such number of Equity Shares held by them, in aggregate, as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoter's Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

The details of Equity Shares held by our Promoters, which will be locked-in for minimum Promoter's contribution for a period of 18 months, from the date of Allotment as Promoters' Contribution are as provided below:

Name of the Promoter	Number of Equity Shares held	Number of Equity Shares locked-in**	Date of allotment / transfer#	Face value per Equity Share (₹)	Allotment / acquisition price per Equity Share (₹)	Nature of transaction	% of the post-Offer paid-up Equity Share capital	Date up to which the Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**

Note: To be updated at the Prospectus stage.

 # Equity Shares were fully paid-up on the date of allotment / acquisition.

*** Subject to finalisation of Basis of Allotment.*

The Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution under Regulation 15 of the SEBI ICDR Regulations. In particular, these Equity Shares do not and shall not consist of:

(i) Equity Shares acquired during the three years preceding the date of this Draft Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealised profits or from bonus issue against Equity Shares which are otherwise in-eligible for computation of Promoters' Contribution;

(ii) Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) Equity Shares held by the Promoters that are subject to any pledge or any other form of encumbrance.

Further, our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm.

(x) ***Details of share capital locked-in for six months or any other period as may be prescribed under applicable law***

In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by our Promoters locked in for eighteen months and the remaining post-Offer shareholding held by our Promoters in our Company which is locked in for six months, in terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer equity share capital of our Company will be locked-in for a period of six months from the date of Allotment except for (i) the Equity Shares offered pursuant to the Offer for Sale; and (ii) any Equity Shares held by a VCF or Category I AIF or Category II AIF or FVCI (as defined under the SEBI (Foreign Venture Capital Investor) Regulations, 2009), as applicable, provided that (a) such Equity Shares shall be locked in for a period of at least six months prescribed under the SEBI ICDR Regulations from the date of purchase by such shareholders and (b) such VCF or AIF of category I or category II or a FVCI holds, individually or with persons acting in concert, less than 20% of pre-Offer Equity Share capital of the Company (on a fully diluted basis).

Further, any unsubscribed portion of the Offered Shares would also be locked-in as required under the SEBI ICDR Regulations.

As on the date of this Draft Red Herring Prospectus, none of our Equity Shares are held by any VCF or Category I AIF or Category II AIF or FVCI. As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in, may be transferred to Promoters or members of the Promoter Group or to any new Promoters, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the SEBI Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than our Promoters and locked-in for a period of six months from the date of Allotment in the Offer or any other period as may be prescribed under applicable law, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in the hands of the transferee for the remaining period and compliance with the provisions of the SEBI Takeover Regulations.

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

(a) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

(b) With respect to the Equity Shares locked-in as Promoter's Contribution for 18 months from the date of

Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, such lock-in will continue pursuant to any invocation of the pledge and the transferee of the Equity Shares pursuant to such invocation shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period stipulated above.

(xi) ***Lock-in of Equity Shares Allotted to Anchor Investors***

50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.

7. **Shareholding Pattern of our Company**

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoter and Promoter Group	4	44,997,915	-	-	44,997,915	48.17%	44,997,915	-	44,997,915	48.17%	-	48.17%	-	-	4,978,320	11.06%	44,997,915
(B)	Public	143	48,413,355	-	-	48,413,355	51.83%	48,413,355	-	48,413,355	51.83%	-	51.83%	-	-	-	-	48,413,355
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	**147**	**93,411,270**	**-**	**-**	**93,411,270**	**100.00%**	**93,411,270**	**-**	**93,411,270**	**100.00%**	**-**	**100.00%**	**-**	**-**	**4,978,320**	**5.33%**	**93,411,270**

8. As on the date of this Draft Red Herring Prospectus, our Company has 147 Equity Shareholders.

9. ***Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company***

Except as stated below, none of our Directors, Key Managerial Personnel or Senior Management hold any Equity Shares.

S. No.	Name	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital	
		Number of Equity Shares	% of total shareholding	Number of Equity Shares	% of total shareholding
1.	Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)	18,085,470	19.36%	[●]	[●]
2.	Sandeep Sudhakar Asolkar	13,500,000	14.45%	[●]	[●]
3.	Saketchandrasingh Pratapsingh Dhandoriya	8,434,125	9.03%	[●]	[●]
4.	Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	5,749,350	6.15%	[●]	[●]
5.	Sarvesh Kumar Garg	5,527,215	5.92%	[●]	[●]
6.	Kumaraguru Madurakavi	4,592,715	4.92%	[●]	[●]
7.	Sandeep Sambhaji Parab	4,592,715	4.92%	[●]	[●]
8.	Veera Venkata Satyanarayana Yannamani	2,143,860	2.30%	[●]	[●]
9.	Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri)	850,875	0.91%	[●]	[●]
10.	Virendra Vijay Rane	75,000	0.08%	[●]	[●]
11.	Mandar Dinkar Desai (held jointly with Shruti Mandar Desai)	75,000	0.08%	[●]	[●]
12.	Amit Anil Sawant	60,000	0.06%	[●]	[●]
13.	Ajit Dhondiram Marathe	15,000	0.02%	[●]	[●]
14.	Mahendra Pandharinath Ingale	15,000	0.02%	[●]	[●]
15.	Neha Rajen Gada (held jointly with Rajen Hemchand Gada)	18,750	0.02%	[●]	[●]
16.	Rajen Hemchand Gada (held jointly with Neha Rajen Gada)	18,750	0.02%	[●]	[●]
17.	Rohan Manohar Kharche	15,000	0.02%	[●]	[●]
18.	Rajnesh Trivedi	15,000	0.02%	[●]	[●]
Total		**63,773,825**	**68.30%**	**[●]**	**[●]**

10. **Major shareholders**

The list of our major Shareholders and the number of Equity Shares held by them is provided below:

a) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Offer share capital
1.	Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)	18,085,470	19.36%
2.	Sandeep Sudhakar Asolkar	13,500,000	14.45%
3.	Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	5,749,350	6.15%
4.	Saketchandrasingh Pratapsingh Dhandoriya	8,434,125	9.03%
5.	Sarvesh Kumar Garg	5,527,215	5.92%
6.	Asolkar Tradecraft Private Limited	4,978,320	5.33%
7.	Kumaraguru Madurakavi	4,592,715	4.92%
8.	Rajesh Kesavan Nambisan	4,592,715	4.92%
9.	Sandeep Sambhaji Parab	4,592,715	4.92%
10.	Jyoti Subodh Sapre	3,412,005	3.65%
11.	Aakansha Unichem LLP	2,505,000	2.68%

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Offer share capital
12.	Veera Venkata Satyanarayana Yannamani	2,143,860	2.30%
13.	Priyanka Amey Belorkar	975,000	1.04%
14.	Dhanvallabh Ventures Fund - Scheme I	1,395,195	1.49%
Total		**80,483,685**	**86.16%**

Note: *Details as on December 2, 2024, being the date of this Draft Red Herring Prospectus.*

b) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company ten days prior to the date of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Offer share capital
1.	Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)	18,085,470	19.36%
2.	Sandeep Sudhakar Asolkar	13,500,000	14.45%
3.	Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	5,749,350	6.15%
4.	Saketchandrasingh Pratapsingh Dhandoriya	8,434,125	9.03%
5.	Sarvesh Kumar Garg	5,527,215	5.92%
6.	Asolkar Tradecraft Private Limited	4,978,320	5.33%
7.	Kumaraguru Madurakavi	4,592,715	4.92%
8.	Rajesh Kesavan Nambisan	4,592,715	4.92%
9.	Sandeep Sambhaji Parab	4,592,715	4.92%
10.	Jyoti Subodh Sapre	3,412,005	3.65%
11.	Aakansha Unichem LLP	2,505,000	2.68%
12.	Veera Venkata Satyanarayana Yannamani	2,143,860	2.30%
13.	Priyanka Amey Belorkar	975,000	1.04%
14.	Dhanvallabh Ventures Fund - Scheme I	1,395,195	1.49%
Total		**80,483,685**	**86.16%**

Note: *Details as on November 22, 2024, being the date ten days prior to the date of this Draft Red Herring Prospectus.*

c) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company one year prior to the date of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held^	% of the share capital
1.	Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)	1,205,698	19.36%
2.	Sandeep Sudhakar Asolkar	900,000	14.45%
3.	Aparna Vivek Kapoor	369,588	5.93%
4.	Saketchandrasingh Pratapsingh Dhandoriya	562,275	9.03%
5.	Kumaraguru Madurakavi	306,181	4.92 %
6.	Rajesh Kesavan Nambisan	312,681	5.02%
7.	Sandeep Sambhaji Parab	368,481	5.92%
8.	Sarvesh Kumar Garg	368,481	5.92 %
9.	Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	357,790	5.75%
10.	Jyoti Subodh Sapre	227,467	3.65%
11.	Veera Venkata Satyanarayana Yannamani	142,924	2.30 %
12.	Aakansha Unichem LLP	161,700	2.60%
13.	Sheetal Dugar	93,625	1.50%
14.	Dhanvallabh Ventures Fund - Scheme I	93,013	1.49%
Total		**5,469,904**	**87.84 %**

Note: *Details as on December 1, 2023, being the date one year prior to the date of this Draft Red Herring Prospectus.*
^Pursuant to a sub-division of equity shares with effect from September 5, 2024, our Company sub-divided the equity shares of ₹10 each to Equity Shares of ₹2 each. The table above does not reflect the effect of such share split.

d) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company two years prior to the date of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held^	% of the share capital
1.	Enviropro Water Technology Private Limited	4,800,000	80.00
2.	Sandeep Sudhakar Asolkar	900,000	15.00
3.	Aparna Vivek Kapoor	300,000	5.00
Total		**6,000,000**	**100.00**

Note: *Details as on December 2, 2022, being the date two years prior to the date of this Draft Red Herring Prospectus.*
^Pursuant to a sub-division of equity shares with effect from September 5, 2024, our Company sub-divided the equity shares of ₹10 each to Equity Shares of ₹2 each. The table above does not reflect the effect of such share split.

11. Except for the Allotment of Equity Shares pursuant to the Fresh Issue, any grant of options under the ESOP Scheme or issue of Equity Shares pursuant to exercise of options which may be granted under the ESOP Scheme and the Pre-IPO Placement, there will be no further issue of specified securities whether by way of public issue, rights issue, preferential issue, qualified institutions placement, bonus issue or otherwise, until the listing of the Equity Shares on the Stock Exchanges or the refund of application monies.

12. Except for the Allotment of Equity Shares pursuant to the Fresh Issue and any grant of options under the ESOP Scheme or issue of Equity Shares pursuant to exercise of options which may be granted under the ESOP Scheme, there is no proposal or intention or negotiations or consideration by our Company to alter our capital structure by way of split or consolidation of the denomination of the shares or issue of specified securities on a preferential basis or issue of bonus or rights issue or further public offer of specified securities within a period of six months from the Bid / Offer Opening Date.

13. **ESOP Schemes**

    As on the date of this Draft Red Herring Prospectus, except as mentioned below, our Company does not have any active employee stock option plan.

    SFC Employee Stock Option Scheme 2024 *("ESOP Scheme")*

    Our Company adopted the ESOP Scheme pursuant to resolutions passed by our Board on August 14, 2024, and by our Shareholders on September 5, 2024. The primary objective of the ESOP Scheme is to reward the employees for their association, retention, dedication and contribution to the goals of the Company. Accordingly, under the ESOP Scheme, employee stock options shall be issued to only the employees of our Company. The aggregate number of Equity Shares which may be issued under the ESOP Scheme is 186,822 Equity Shares. As on the date of this Draft Red Herring Prospectus, no options have been granted by our Company under the ESOP Scheme.

    In terms of the ESOP Scheme, minimum vesting period is one year and maximum vesting period is five years from the date of grant of options. Subject to certain conditions, the employee can exercise the vested options within the exercise period, which shall commence from the date of vesting and can extend till the end of five years from the date of grant of options.

    As on the date of this Draft Red Herring Prospectus, no options have been granted under the ESOP Scheme, as certified by M. I. Shah and Co., Chartered Accountants, by way of their certificate dated December 2, 2024.

14. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, our Promoters, the members of our Promoter Group or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

15. Except for our Promoter Selling Shareholders, who are offering Equity Shares in the Offer for Sale, none of the members of our Promoter Group will participate in the Offer.

16. The BRLMs and persons related to the BRLMs or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLMs, or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by entities which are associates of the BRLMs, a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs.

17. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus.

18. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

19. The Promoters and members of our Promoter Group will not receive any proceeds from the Offer, except to the extent of their participation as Selling Shareholders in the Offer for Sale.

20. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.

21. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

22. Up to [●] Equity Shares aggregating up to ₹[●] million (which shall not exceed 5% of the post- Offer equity share capital of our Company) shall be reserved for allocation to Eligible Employees under the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price (net of Employee Discount, if any, as applicable for the Employee Reservation Portion). Only Eligible Employees would be eligible to apply in the Offer under the Employee Reservation Portion. Bids by Eligible Employees can also be made in the Net Offer and such Bids shall not be treated as multiple Bids. Unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹0.20 million (net of employee discount). In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹0.20 million (net of employee discount) up to ₹0.50 million (net of employee discount).

23. Our Company, the Selling Shareholders, the Promoters, the Directors and the BRLMs have not entered into buy-back arrangements and/or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

24. All Equity Shares issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

25. None of the BRLMs are an associate (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) of the Company.

26. As on the date of this Draft Red Herring Prospectus, the BRLMs and their associates (determined as per the definition of ‘associate company’ under the Companies Act, 2013 and as per definition of the term ‘associate’ under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLMs and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

OBJECTS OF THE OFFER

The Offer comprises of a Fresh Issue of [●] Equity Shares, aggregating to ₹1,850.00 million by our Company and an Offer for Sale of 10,824,790 Equity Shares aggregating to ₹[●] million by the Selling Shareholders, subject to finalization of Basis of Allotment. For details, see "*Summary of the Offer Document*" and "*The Offer*" on pages 29 and 85, respectively.

Offer for Sale

Each of the Selling Shareholders will be entitled to its respective portion of the proceeds of the Offer for Sale after deducting agreed proportion of the Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders and the proceeds from the Offer for Sale will not form part of the Net Proceeds. For further details, see "– *Offer expenses*" on page 151.

For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 489.

Fresh Issue

Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Prepayment of all or a portion of certain outstanding borrowings availed by our Company and our wholly owned Subsidiary, namely Vasudha Waste Treatment Private Limited;
2. Funding our working capital requirements; and
3. General corporate purposes.

(Collectively, referred to herein as the "**Objects**")

In addition, our Company expects to receive the benefits of listing of Equity Shares on the Stock Exchanges including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India.

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Fresh Issue. Further, the main objects and objects incidental and ancillary to the main objects, of our wholly owned Subsidiary, enables it to undertake the activities towards which the loans proposed to be prepaid / repaid from the Net Proceeds were utilized. We confirm that the activities which we have been carrying out till date are in accordance with the objects clause of our Memorandum of Association.

Net Proceeds

After deducting the Offer related expenses from the Gross Proceeds, we estimate the net proceeds of the Fresh Issue to be ₹[●] million ("**Net Proceeds**"). The details of the proceeds from the Fresh Issue are summarized in the following table:

(₹ in million)

Particulars	Total estimated cost
Gross proceeds from the Fresh Issue*	Up to 1,850.00
(Less) Offer related expenses in relation to the Fresh Issue(1)(2)	[●]
Net Proceeds (2)	[●]

* *Our Company, in consultation with the BRLMs, may consider a further issue of specified securities as may be permitted under applicable law, aggregating up to ₹370.00 million (the "**Pre-IPO Placement**"), prior to the filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or that the Offer may be successful and will result in the listing of the Equity Shares*

on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

(1) *For details with respect to sharing of fees and expenses amongst our Company and the Selling Shareholders, please refer to "– Offer Expenses" on page 151.*

(2) *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised in accordance with the details provided in the following table:

(in ₹ million)

Particulars	Estimated amount[(2)]
Prepayment of all or a portion of certain outstanding borrowings availed by our Company and our wholly owned Subsidiary, namely Vasudha Waste Treatment Private Limited	549.52
Funding our working capital requirements	906.88
General corporate purposes [(1)]	[●]
Total[(1)]	[●]

(1) *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilised for general corporate purposes shall not exceed 25% of the gross proceeds from the Fresh Issue.*

(2) *Our Company, in consultation with the BRLMs, may consider a further issue of specified securities as may be permitted under applicable law, aggregating up to ₹370.00 million (the "**Pre-IPO Placement**"), prior to the filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

Proposed Schedule of Implementation and Deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as set forth below:

(₹ in million)

Particulars	Amount which will be financed from Net Proceeds[(2)]	Estimated deployment of Net Proceeds in	
		Fiscal 2026	Fiscal 2027
Prepayment of all or a portion of certain outstanding borrowings availed by our Company and our wholly owned Subsidiary, namely Vasudha Waste Treatment Private Limited	549.52	549.52	-
Funding our working capital requirements	906.88	374.54	532.34
General corporate purposes [(1)]	[●]		[●]
Net Proceeds [(1)(2)]	[●]		[●]

(1) *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

(2) *Our Company, in consultation with the BRLMs, may consider a further issue of specified securities as may be permitted under applicable law, aggregating up to ₹370.00 million (the "**Pre-IPO Placement**"), prior to the filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

The aforesaid fund requirements, deployment of funds and the intended use of the Net Proceeds as described in this Draft Red Herring Prospectus, are approved by our board pursuant to its resolution dated December 2, 2024 and are based on our current business plan, management estimates, prevailing market conditions, current circumstances of our business and other commercial considerations, which are subject to change and may not be within the control of our management. However, such fund requirements and deployment of funds have not been appraised by any external agency or any bank or financial institution or any other independent agency. See "*Risk Factors – The objects of the Fresh Issue for which the funds are being raised have not been appraised by any bank or financial institutions. Any variation in the utilization of our Net Proceeds as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior Shareholders' approval.*" on page 75. Our historical expenditure may not be reflective of our future expenditure plans. We may have to revise our funding requirements and deployment, as required, on account of a variety of factors such as our financial and market condition, our business and growth strategies, competitive landscape, general factors affecting our results of operations, financial condition and access to capital and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable laws.

Subject to applicable law, if the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for funding other existing Objects, if necessary and/or towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with Regulation 7(2) of the SEBI ICDR Regulations. Further, our Company may decide to accelerate the estimated Objects ahead of the schedule specified above. However, in the event that estimated utilization out of the Net Proceeds in a scheduled Fiscal being not undertaken in its entirety, the remaining Net Proceeds shall be utilized in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds.

Subject to applicable law, in case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Offer. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned Objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscal towards the aforementioned Objects.

Details of the Objects

1. ***Prepayment of all or a portion of certain outstanding borrowings availed by our Company and our wholly owned Subsidiary, namely Vasudha Waste Treatment Private Limited***

   Our Company and our wholly owned Subsidiary, Vasudha Waste Treatment Private Limited have entered into various financing arrangements from time to time, with various lenders. The financing arrangements entered into by us include, *inter alia*, term loans and working capital facilities. As at September 30, 2024, the total consolidated outstanding borrowings of our Company amounted to ₹1,741.23 million. For further details in relation to our borrowings, see "*Financial Indebtedness*" on page 476.

   Our Company proposes to utilise an estimated amount of up to ₹549.52 million from the Net Proceeds towards pre-payment of all or a portion of certain term loans availed by our Company, and one of our wholly owned Subsidiary, Vasudha Waste Treatment Private Limited. Given the nature of these borrowings and the terms of prepayment, the aggregate outstanding amounts under these borrowings may vary from time to time and we may, in accordance with the relevant repayment schedule, repay or refinance some of the borrowings set out below, prior to Allotment or avail of additional credit facilities. If at the time of Allotment, any of the below mentioned loans are repaid or refinanced or if any additional credit facilities are availed or drawn down or further disbursements under the existing facilities are availed by our Company, and Vasudha Waste Treatment Private Limited, then our Company may utilise the Net Proceeds for prepayment of any such refinanced facilities or any additional facilities / disbursements obtained by our Company and Vasudha Waste Treatment Private Limited. In light of the above, at the time of filing the Red Herring Prospectus, the table below shall be suitably updated to reflect the revised amounts or loans as the case may be which have been availed by our Company and Vasudha Waste Treatment Private Limited. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular fiscal may be repaid / pre-paid by our Company in the subsequent Fiscal.

For the purposes of the Offer, our Company and Vasudha Waste Treatment Private Limited have obtained necessary consent from its lenders, as is respectively required under the relevant facility documentation for undertaking activities in relation to this Offer and for the deployment of the Net Proceeds towards the objects set out in this section.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed will be based on various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay / repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) receipt of consents for prepayment from the respective lenders, (iv) terms and conditions of such consents and waivers, (v) levy of any prepayment penalties and the quantum thereof, (vi) provisions of any laws, rules and regulations governing such borrowings, and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. The amounts proposed to be prepaid against each borrowing facility below is indicative and our Company may utilize the Net Proceeds to prepay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment. For further details, see "*Financial Indebtedness*" on page 476. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Payment of additional interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals or out of the Net Proceeds as may be decided by our Company and Vasudha Waste Treatment Private Limited.

The abovementioned factors will also determine the form of investment undertaken by our Company for prepayment of the borrowing arrangements availed by Vasudha Waste Treatment Private, that is a wholly owned subsidiary of our Company, whether they will be in form of subscription or purchase of equity shares, preference shares, convertible or non-convertible securities, debt or any other instrument or combinations thereof. At this stage, our Company cannot determine whether the form of investment in Vasudha Waste Treatment Private Limited will be cash, equity shares, preference shares, convertible or non-convertible securities, debt or any other instrument or combinations thereof.

Such pre-payment will help reduce the existing borrowings of our Company and Vasudha Waste Treatment Private Limited and assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion.

The following table provides details, as at September 30, 2024, of loans and facilities availed by our Company and Vasudha Waste Treatment Private Limited amounting to ₹624.43 million, out of which we propose to pre-pay in full or in portion of the below-mentioned loans and/or facilities, up to an amount aggregating to ₹549.52 million from the Net Proceeds:

[*Remainder of the page is intentionally left blank*]

S. No.	Name of the lender	Date of sanction letter	Date of disbursement	Nature of borrowing	Purpose#	Whether utilized for capital expenditure	Principal loan amount sanctioned (in ₹ million)	Balance principal amount outstanding as on September 30, 2024 (in ₹ million)	Interest rate as at September 30, 2024 (% p.a.)	Tenor and repayment schedule	Prepayment conditions / penalty
Company											
1.	Axis Bank Limited	July 17, 2023	July 31, 2023	Term Loan	Acquisition of the office premises located at 2201 to 2206, 'The Ambience Court Hi Tech Business Park, Plot No. 2, Sector 19D, Vashi, Navi Mumbai 400705	Yes	100.00	83.33	Repo + 2.25% = 8.75% p.a.	84 months. Principal repayable in 84 monthly instalments of ₹1.19 million each	2% + applicable taxes*
Total (A)							**100.00**	**83.33**			
Wholly owned Subsidiary											
Vasudha Waste Treatment Private Limited											
1.	Axis Bank Limited	December 27, 2023	December 30, 2023	Term Loan	Funding the repayment of unsecured loan and accrued interest payable to parent company (i.e. SFC Environmental Technologies Limited) taken towards the business operations for municipal solid waste processing facility at Cacora in South Goa District, Goa.	No	450.00	401.70	Repo + 2.25% = 8.75% p.a.	28 quarterly instalments. Principal repayable in 27 quarterly instalments of ₹16.10 million each and last instalments of ₹15.30 million	1% + applicable taxes*
2.	Axis Bank Limited	December 27, 2023	April 23, 2024	Term Loan	Funding the repayment of unsecured loan and accrued interest payable to parent company (i.e. SFC Environmental Technologies Limited) taken towards the business operations for municipal solid waste processing facility at Cacora in South Goa District, Goa.	No	150.00	139.40	Repo + 2.25% = 8.75% p.a.	28 quarterly instalments. Principal repayable in 27 quarterly instalments of ₹5.30 million each and last instalments of ₹6.90 million	1% + applicable taxes*
Total (B)							**600.00**	**541.10**			
Total (A+B)							**700.00**	**624.43**			

**Not applicable in case of prepayment by MSE borrower and if such prepayment is out of internal accrual/own sources and the borrower is able to produce sufficient evidence in this regard.*

#In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, GBCA & Associates LLP, Chartered Accountants, have issued the certificate dated December 2, 2024 certifying that the borrowings have been utilized towards the purposes for which such borrowings were availed.

For further details in relation to our borrowings, see "*Financial Indebtedness*" on page 476.

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2. Funding our working capital requirements

We operate in the wastewater treatment, the Indian municipal solid waste management market and the Indian biogas market.

The global water and wastewater treatment market is set to grow from USD 703 billion in CY2018 to USD 1,121.00 billion by CY2028, with a CAGR of 5.8% from CY2023 to CY2028. (*Source: F&S Report*) The wastewater treatment market size in India is set to grow from ₹133.00 billion in FY2023 to ₹228.00 billion in FY2029, with a CAGR of 9.6%. (*Source: F&S Report*)

The revenue potential from municipal solid waste management related businesses is set to grow from ₹130.20 billion in FY2023 to ₹263.50 billion in FY2028, with a CAGR of 15.1%. (*Source: F&S Report*)

The Indian biogas market volume is set to grow 0.1 MMTPA in FY2023 to 16.8 MMTPA in FY2029, with a CAGR of 111% leading to an increase in market size from ₹5.30 billion in FY2023 to ₹922.20 billion in FY2029. (*Source: F&S Report*)

Our business is working capital intensive, and we fund a majority of our working capital requirements in the ordinary course of business from our internal accruals and financing facilities from various banks and financial institutions. As on September 30, 2024, our Company has total sanctioned limit of working capital facilities of ₹3,575.20 million, including fund-based and non-fund based sub-limits, on a standalone basis. Our total outstanding indebtedness, as on September 30, 2024, in respect of our working capital facilities was ₹878.26 million, on standalone basis. For details, see '*Financial Indebtedness*' on page 476.

Our Company requires additional working capital for funding its incremental working capital requirements in the Financial Years ended March 31, 2026 and March 31, 2027. We propose to utilise ₹906.88 million from the Net Proceeds to fund the working capital for meeting business requirements of our Company in Fiscal Years 2025, 2026 and 2027 respectively. The working capital requirements are dependent on multiple factors such as trade receivables from our customers, which represent payments expected for goods and services rendered, inventories on account of business operations requirements, and fixed deposits in lien for various credit facilities.

(a) Basis of estimation of working capital requirement

The details of our Company's working capital as at March 31, 2022, March 31, 2023, March 31, 2024 and June 30, 2024, derived from our audited standalone financial information, and source of funding are provided in the table below:

(in ₹ million)

Particulars	As at March 31, 2022	As at March 31, 2023	As at March 31, 2024	As at June 30, 2024
(A) Current assets				
- Inventories	207.64	419.90	568.34	584.69
- Financial assets				
i. Trade receivables	1,116.07	1,777.18	2,812.78	1,653.10
ii. Other bank balance (in lien for credit facilities)	150.00	80.03	1,496.40	1,485.97
iii. Other financial assets	39.99	8.61	37.38	37.76
Other current assets	192.39	355.22	78.35	141.13
Total current assets (A)	**1,706.09**	**2,640.94**	**4,993.26**	**3,902.65**
(B) Current liabilities				
- Financial liabilities				
i. Trade payables	629.14	846.25	973.39	547.77
ii. Other current financial liabilities (excluding creditors of capital goods)	38.98	73.01	130.21	58.58
- Other current liabilities	368.42	472.87	249.32	116.97
- Provisions	0.06	0.06	-	-

- Current tax liabilities	-	-	96.40	96.00
Total current liabilities (B)	**1,036.60**	**1,392.18**	**1,449.32**	**819.32**
(C) Net working capital requirements (C=A-B)	**669.49**	**1,248.76**	**3,543.93**	3,083.33
(D) Existing Funding Pattern				
Internal accruals and Equity	459.59	790.87	2,872.52	2,967.73
Borrowings from banks, financial institution and non-banking financial companies (including bill discounting)	209.91	457.88	671.41	115.59
Total	**669.49**	**1,248.76**	**3,543.93**	**3,083.33**

As certified by M.I. Shah and Co., Chartered Accountants, pursuant to their certificate dated December 2, 2024.

(b) Proposed working capital

We propose to utilize ₹374.54 million and ₹532.34 million of the Net Proceeds in the Fiscals 2026 and 2027, respectively, towards our Company's working capital requirements. The balance portion of working capital requirement of our Company shall be met through internal accruals and borrowings.

The working capital requirement of the Company for the Fiscals 2026 and 2027 have been projected based on the future growth of the business and working capital days have been estimated taking in to account the days by component in the historic period. The estimates of requirement of working capital are post considering repayment of certain indebtedness and internal accruals which is after factoring future growth in the business of the Company.

On the basis of our existing working capital requirements, management estimates and the projected working capital requirements, our Board, pursuant to their resolution dated December 2, 2024, has approved the projected working capital requirements for Fiscals 2026 and 2027. The estimates of working capital requirements for Fiscal 2026 and Fiscal 2027 have been prepared based on our management's projections of future financial performance. The proposed funding of such working capital requirements are stated below:

(in ₹ million)

Particulars	As at March 31, 2026 (Standalone) (projected)	As at March 31, 2027 (Standalone) (projected)
(A) Current assets		
- Inventories	662.12	792.95
- Financial assets		
i. Trade receivables	3,316.46	3,973.24
ii. Other bank balance (in lien for credit facilities)	1,427.02	1,538.66
iii. Other financial assets	50.50	60.51
Other current assets	84.17	100.84
Total current assets (A)	**5,540.27**	**6,466.20**
(B) Current liabilities		
- Financial liabilities		
i. Trade payables	1,137.49	1,362.25
ii. Other current financial liabilities (excluding creditors for capital goods)	168.35	201.69
- Other current liabilities	286.19	342.87
- Provisions	-	-
- Current tax liabilities	-	-
Total current liabilities (B)	**1,592.03**	**1,906.80**
(C) Net working capital requirements (C=A-B)	**3,948.25**	**4,559.39**
(D) Funding Pattern		
Borrowings from banks	583.75	662.54
Internal accruals and Equity	2,989.96	2,989.96
Amount proposed to be utilized from Net Proceeds*	374.54	906.88

Particulars	As at March 31, 2026 (Standalone) (projected)	As at March 31, 2027 (Standalone) (projected)
Net working capital requirements	**3,948.25**	**4,559.39**

** Cumulative amount for Financial Years ending March 31, 2026 and March 31, 2027.*
As certified by M.I. Shah and Co., Chartered Accountants, pursuant to their certificate dated December 2, 2024.

(c) Assumptions for working capital requirements

The table below sets forth the details of holding levels (with days rounded to the nearest whole number) for the Fiscals 2022, 2023 and 2024, and for the three months period ended June 30, 2024 as well as the projections for the Fiscals 2026 and 2027:

(in ₹ million)

Particulars#	No. of days for the Fiscal / period ended					
	March 31, 2022 (Actual)	March 31, 2023 (Actual)	March 31, 2024 (Actual)	Three months period ended June 30, 2024 (Actual) *	March 31, 2026 (Estimated)	March 31, 2027 (Estimated)
(A) Current assets						
- **Inventory**	34	67	78	220	78	78
- **Financial assets**						
i. Trade receivables	105	158	197	297	197	197
ii. Other financial assets	4	1	3	7	3	3
iii. Other current assets	18	31	5	25	5	5
(B) Current liabilities						
- **Financial liabilities**						
i. Trade payables	102	135	134	206	134	134
ii. Other financial liabilities (excluding creditors for capital goods)	4	6	9	11	10	10
- **Other current liabilities**	35	42	17	21	17	17
- **Provisions**	0	0	-	-	-	-

As certified by M.I. Shah and Co., Chartered Accountants, pursuant to their certificate dated December 2, 2024.
#Estimated holding days have been rounded to the nearest whole number.
**No. of days for the three months period ended June 30, 2024 is annualized and calculated as 365/4.*

Notes:

(1) Trade receivables days is derived as trade receivables at the period end multiplied by 365 divided by revenue from operations.
(2) Inventory days is calculated as inventory at the period end multiplied by 365 divided by cost of goods sold during the period.
(3) Other financial asset days is derived as other financial asset at the period end multiplied by 365 divided by revenue from operations.
(4) Other current asset days is derived as other current asset at the period end multiplied by 365 divided by revenue from operations.
(5) Trade payable days is derived as trade payable at the period end multiplied by 365 divided by cost of goods sold during the period.
(6) Other current financial liabilities days is derived as other current financial liabilities at the period end multiplied by 365 divided by revenue from operations.
(7) Other current liabilities (excluding creditors for capital goods) days is derived as other current liabilities at the period end multiplied by 365 divided by revenue from operations.
(8) Provisions days is derived as provisions at the period end multiplied by 365 divided by revenue from operations.
(9) For three month ended days have been calculated as 365/4.

(d) Justifications for holding period levels

The working capital projections made by our Company are based on certain key assumptions and justifications, as set out below:

Particulars	Assumptions and Justifications
Current assets	
Trade receivables	Trade receivable days are calculated basis expected revenues which is also dependent on order book and order book execution. For Fiscal 2022, Fiscal 2023 and Fiscal 2024 the Company had trade receivable days of 105 days, 158 days and 197 days respectively. For the three months period ended June 30, 2024, the trade receivables days was 297 days since as a trend the Company has lower revenue during the 1st quarter of the Fiscal. As the company's revenues from operations have been increasing over the past 3 years the historical trade receivable days have increased from 105 days in Fiscal 2022 to 197 days in Fiscal 2024 on account of growing trend in revenue primarily during the 4th quarter of the Fiscal. The Company expects this range of receivable days to continue and has assumed trade receivable days of 197 days for Fiscal 2026 and Fiscal 2027.
Inventories	Inventory days is basis assumptions on cost of goods sold. The Company maintains inventories for supplying equipment to STPs. For Fiscal 2022, Fiscal 2023, Fiscal 2024, the Company had inventory days of 34 days, 67 days and 78 days respectively. For the three months period ended June 30, 2024, the inventories days was 220 days as the Company maintains requisite inventory level for the entire Fiscal while the revenue as a trend happens to be lower during the 1st quarter of the Fiscal. Due to increasing in-house manufacturing, historically, the Inventory days have increased from 34 days in Fiscal 2022 to 78 days in Fiscal 2024. The Company has assumed Inventory days of 78 days for Fiscal 2026 and Fiscal 2027 in line with the numbers for Fiscal 2024.
Other bank balance (in lien for credit facilities)	Other bank balance (in lien for credit facilities) includes deposits with various Banks which are given as collateral for various credit facilities (fund based as well as non-fund based) sanctioned by various Banks to the Company. Other bank balance (in lien for credit facilities) has been estimated considering uptick in projected business activities with a reduction in security cover requirement for credit facilities.
Other financial assets	For Fiscal 2022, Fiscal 2023, Fiscal 2024, the Company had other financial assets days of 4 days, 1 day and 3 days respectively. For the three months period ended June 30, 2024, the other financial assets days was 7 days. The Company has assumed other financial assets days of 3 days for Fiscal 2026 and Fiscal 2027 of revenues from operations which is in line with other financial assets days for Fiscal 2024.
Other current assets	Other Current Assets days is derived on the basis revenue from operations. For Fiscal 2022, Fiscal 2023, Fiscal 2024, the Company had other current assets days of 18 days, 31 days, and 5 days respectively. The decline in other current asset days from 18 days in Fiscal 2022 to 5 days in Fiscal 2024 is primarily attributable to utilization/recovery of credits/balances with government authorities pertaining to various duties and taxes. For the three months period ended June 30, 2024, the other current assets days was 25 days. The Company has assumed other current assets days of 5 days for Fiscal 2026 and Fiscal 2027 in line with other current assets days for Fiscal 2024.
Current liabilities	
Trade payables	Trade payable days is derived on the basis of Cost of Goods sold during the period. For Fiscal 2022, Fiscal 2023, Fiscal 2024, the Company had trade payable days of 102 days, 135 days and 134 days respectively. The increase in trade payable days from 102 days in Fiscal 2022 to 134 days in Fiscal 2024 is attributable to increasing shares of last quarter's purchases coupled with increasing inventory levels which is in line with the increase trend in revenue during the last quarter of the Fiscal. For the three months period ended June 30, 2024 the trade payables days was 206 days since as a trend the Company has lower Cost of Goods sold which is in line with lower revenue during the 1st quarter of the Fiscal. The Company has assumed Trade payables days of 134 days for Fiscal 2026 and Fiscal 2027 in line with trade payable days for Fiscal 2024
Other current financial liabilities (excluding creditors for capital goods)	Other Current financial liabilities (excl. Creditors for capital goods) days is derived basis revenue from operations. For Fiscal 2022, Fiscal 2023, Fiscal 2024 and for the three months ended June 30, 2024, the Company had other current financial liabilities days of 4 days, 6 days9 days and 11 days respectively. Going forward, the Company expects the holding levels of other current financial liabilities (excl. Creditors for capital goods) days to be 10 days each for Fiscal 2026 and Fiscal 2026 which is line with the Fiscal 2024.
Other current liabilities	Other current liabilities days is derived basis the revenue from operations. For Fiscal 2022, Fiscal 2023, Fiscal 2024 and for the three months ended June 30, 2024, the Company had other current liabilities days of 35 days, 42 days, 17 days and 21 days respectively. Other current liabilities primarily include items such as, statutory payments dues, other payables, provision for expenses

	and other similar obligations. The company expects maintaining other current liabilities at similar levels of 17 days as for Fiscal 2024.
Provisions	Provisions days is derived as provisions is derived basis revenue from operations. For Fiscal 2022, Fiscal 2023 and Fiscal 2024, the provisions days was zero and our company believes that going forward, the same trend shall continue

As certified by M.I. Shah and Co., Chartered Accountants, pursuant to their certificate dated December 2, 2024.

3. *General corporate purposes*

We propose to utilise up to ₹[●] million of the Net Proceeds towards general corporate purposes and the business requirements of our Company as approved by the Board, from time to time, subject to such utilisation for general corporate purposes not exceeding 25% of the Gross Proceeds from the Fresh Issue, in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise the Net Proceeds include, without limitation, meeting ongoing general corporate contingencies, funding growth opportunities, including funding strategic initiatives, strengthening marketing capabilities, capital expenditure and any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act. In the event our Company is unable to utilise the Net Proceeds towards any of the objects of the Offer for any of the reasons as aforementioned, our Company may utilise such Net Proceeds towards general corporate purposes, provided that the aggregate amount deployed towards general corporate purposes shall not exceed 25% of the Gross Proceeds.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law and based on the amount available under this head and the business requirements of our Company, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilise such unutilised amount(s) in the subsequent Fiscals.

Means of Finance

The entire fund requirements for our Objects are proposed to be funded entirely from the Net Proceeds and internal accruals. Accordingly, we confirm that there are no requirements to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue and existing internal accruals, under Regulation 7(1)(e) of the SEBI ICDR Regulations and Paragraph 9(C)(1) of Part A of Schedule VI of the SEBI ICDR Regulations.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹[●] million. The expenses of this Offer include, among others, listing fees, selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsels, fees payable to the Registrar to the Offer, Escrow Collection Bank(s) and Sponsor Bank(s) to the Offer, processing fee to the SCSBs for processing application forms, underwriting commission, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses, fees payable to consultants and Statutory Auditors for deliverables in connection with the Offer and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than (i) the listing fees, which will be solely borne by the Company; and (ii) stamp duty payable on transfer of the Offered Shares pursuant to the Offer for Sale and fees for legal counsel to each Selling Shareholder, which shall be solely borne by the Selling Shareholders, the Company and each of the Selling Shareholders agree, severally and not jointly, to share the costs and expenses (excluding all applicable taxes except STT, which shall be solely borne by the respective Selling Shareholder) directly attributable to the Offer (including fees and expenses of the Book Running Lead Managers, legal counsels appointed in connection with the Offer, and other intermediaries, advertising and marketing expenses (other than corporate advertisements expenses and branding of the Company undertaken in the ordinary course of business by the Company), printing, underwriting commission, procurement commission (if any), brokerage and selling commission and payment of fees and charges to various regulators in relation to the Offer) in proportion to the number of Equity Shares issued and Allotted by the Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale, as may be mutually agreed amongst the Selling Shareholders, in accordance with applicable law including section 28(3) of the Companies Act.

All the expenses relating to the Offer shall be paid by the Company in the first instance. Upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, the Selling Shareholders shall, reimburse the Company for any expenses in relation to the Offer paid by the Company on behalf of the respective Selling Shareholder directly from the Public Offer Account as may be mutually agreed amongst the Selling Shareholders except as may be prescribed by the SEBI or any other regulatory authority.

The break-up of the estimated Offer expenses is set forth below:

(in ₹ million)

Activity	**Estimated expenses***	**As a % of the total estimated Offer expenses**	**As a % of the total Offer size**
Fees payable to the BRLMs and commissions (including underwriting commission, brokerage and selling commission, as applicable)	[●]	[●]	[●]
Commission / processing fee for SCSBs, Bankers to the Offer and fee payable to the Sponsor Bank for Bids made by RIBs. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs (1)(2)(3)(4)(5)	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fee payable to auditors, consultants and market research firms	[●]	[●]	[●]
Others i. Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses; ii. Printing and distribution of stationery; iii. Fees payable to legal counsel; and iv. Miscellaneous.	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

* *Offer expenses include GST, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change*

(1) *Selling commission payable to SCSBs, on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured and uploaded by the SCSBs, would be as follows:*

*Portion for Retail Individual Investors**	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*[●]% of the Amount Allotted (plus applicable taxes)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price. Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSE or NSE. No additional uploading / processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them;*

(2) *Processing fees payable to the SCSBs on the portion for Retail Individual Investors and Non-Institutional Investors which are procured by the members of the Syndicate / sub-Syndicate / Registered Broker / RTAs / CDPs and submitted to SCSB for blocking, would be as follows:*

Portion for Retail Individual Investors	*₹[●] per valid application (plus applicable taxes)*
Portion for Non-Institutional Investors	*₹[●] per valid application (plus applicable taxes)*

**Processing fees payable to the SCSBs for capturing Syndicate Member / Sub-syndicate (Broker) / Sub-broker code on the ASBA Form for Non-Institutional Investors and Qualified Institutional Buyers with bids above ₹0.50 million would be ₹[●] plus applicable taxes, per valid*

Bid cum Application Form.

(3) *Uploading charges / processing fees for applications made by UPI Bidders would be as follows:*

Members of the Syndicate / RTAs / CDPs / Registered Brokers	*₹[●] per valid application (plus applicable taxes)*
Sponsor Bank(s)	*₹[●] per valid Bid cum Application Form (plus applicable taxes)* *The Sponsor Bank(s) shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable law*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement

(4) *Brokerage, selling commission on the portion for UPI Bidders (using UPI Mechanism), Retail Individual Investors and Non-Institutional Investors which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs would be as follows:*

*Portion for Retail Individual Investors**	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*[●]% of the Amount Allotted (plus applicable taxes)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

(5) *Pursuant to SEBI ICDR Master Circular and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / Sub-Syndicate Members shall not be able to accept Bid Cum Application Form above ₹0.50 million and the same Bid Cum Application Form needs to be submitted to SCSBs for blocking of fund and uploading on the exchange bidding platform. To identify bids submitted by Syndicate / Sub-Syndicate Members to SCSB, a special Bid Cum Application Form with a heading / watermark, 'Syndicate ASBA' may be used by Syndicate / Sub-Syndicate Member along with SM code and Broker code mentioned on the Bid Cum Application Form to be eligible for brokerage on Allotment. However, such special forms, if used for RII Bids and NII Bids up to ₹0.50 million will not be eligible for brokerage. Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the Registered Brokers / RTAs / CDPs and submitted to the SCSB for blocking shall be ₹[●] per valid Bid cum Application Form (plus applicable taxes). The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI ICDR Master Circular, SEBI circular no: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, read with SEBI circular no: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 each to the extent applicable and not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations.*

Interim use of funds

Pending utilisation for the purposes described above, we undertake to temporarily invest such portion funds from the Net Proceeds in deposits only with one or more scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934, as amended. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge loan

Our Company has not raised any bridge loans from any banks or financial institutions, as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Appraising Entity

None of the Objects for which the Net Proceeds will be utilised have been appraised by any agency, including any bank, finance institutions or any independent agency.

Monitoring of utilisation of funds

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company shall appoint a Monitoring Agency for monitoring the utilisation of Gross Proceeds prior to the filing of the Red Herring Prospectus with the RoC, as the

Fresh Issue size exceeds ₹1,000 million. Our Company undertakes to place the Gross Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Gross Proceeds.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds, which shall discuss, monitor and approve the use of the Gross Proceeds along with our Board. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statement prepared on an annual basis for utilization of the Gross Proceeds shall be certified by the Auditors.

Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Gross Proceeds and the Monitoring Agency shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulation and Regulation 32(1) of the SEBI Listing Regulations, on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Fresh Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Fresh Issue from the Objects. This information will also be published on our website, until such time as the Gross Proceeds have been utilised in full. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilisation of the Gross Proceeds, including interim use under a separate head in its balance sheet for such periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Gross Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable periods, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds. In terms of Regulation 32(7A) of the SEBI Listing Regulations, our Company will also disclose every year, the utilization of such funds during that year in its Annual Report until such funds are fully utilized.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and applicable rules thereunder, our Company shall not vary the Objects of the Offer unless our Company is authorized to do so by way of a special resolution of its Shareholders and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act, 2013 and applicable rules and such Postal Ballot Notice shall be placed on website of our Company. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, Marathi being the regional language of Maharashtra, where our Registered Office is situated in accordance with the Companies Act, 2013 and applicable rules. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, at such price, and in such manner, in accordance with Section 13(8) and other applicable provisions of the Companies Act, our Articles of Association, and the SEBI ICDR Regulations.

Other confirmations

Except to the extent of the proceeds received by the Selling Shareholders pursuant to the Offer for Sale portion, none of our Promoters, members of the Promoter Group, Group Companies, Directors or Key Managerial Personnel or Senior Management will receive any portion of the Offer Proceeds and there are no existing or anticipated transactions in relation to utilisation of the Net Proceeds with our Promoters or members of the Promoter Group, Group Companies, Directors or Key Managerial Personnel or Senior Management. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects as set out above

BASIS FOR OFFER PRICE

The Floor Price, Price Band and the Offer Price will be determined by our Company, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹2 each, and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. The financial information included herein is derived from our Restated Consolidated Financial Information. The Prospective Investors should also refer to "*Risk Factors*", "*Our Business*", "*Restated Consolidated Financial Information*", and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 44, 253, 334 and 447, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- Technology driven market leadership as a key player in the wastewater treatment market;
- Backward integration through constant innovation and use of technology;
- High proportion of repeat business with strong order book;
- Proven management experience and leadership.

For further details, see "*Our Business – Competitive Strengths*" on page 264.

Quantitative factors

Some of the quantitative factors, which may form the basis for computing the Offer Price are as follows:

I. Basic and diluted earnings per share ("EPS") (as adjusted for changes in capital on a consolidated basis)

Based on / derived from the Restated Consolidated Financial Information:

Financial Year / period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2024	15.16	15.16	3
March 31, 2023	10.05	10.05	2
March 31, 2022	8.98	8.98	1
Weighted Average	**12.43**	**12.43**	
Three months ended June 30, 2024*	0.58	0.58	-
Three months ended June 30, 2023*	0.41	0.41	-

**Not annualized*

Notes:

i. *The face value of each Equity Share is ₹2. Pursuant to resolution passed by our Board at their meeting dated August 14, 2024 and resolution passed by the Shareholders at the annual general meeting dated September 5, 2024, our Company has sub-divided the face value of its equity shares from ₹10 each into Equity Shares of ₹2 each. Basic EPS and Diluted EPS for all the period / year have been derived post the impact of split of equity shares.*

ii. *Our Company has pursuant to the Board resolution dated August 14, 2024 allotted 62,274,180 Equity Shares through a bonus issuance ("**Bonus Shares**") in the ratio of two Equity Shares for every one Equity Share held by the Shareholders as on the record date (i.e., September 4, 2024). Basic EPS and Diluted EPS for all the period / year have been considered post the impact of the issue of Bonus Shares in accordance with Ind AS 33 - Earnings per share notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*

iii. *EPS has been calculated in accordance with the Indian Accounting Standard 33 – "Earnings per share notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended)".*

iv. *Basic EPS = Restated profit for the period / year attributable to equity shareholders of the Company divided by weighted average number of equity shares outstanding during the period / year considering the impact of the Scheme of Amalgamation.*

v. *Diluted EPS = Restated profit for the period / year attributable to equity shareholders of the Company divided by weighted average number of equity shares outstanding during the period / year adjusted for the effects of all dilutive potential equity shares, if any considering the impact of the Scheme of Amalgamation.*

II. Price / Earning ("P/E") ratio in relation to the Price Band of ₹[●] to ₹[●] per Equity Share (of face value of ₹2 each):

Particulars	P/E ratio at Floor Price (number of times)*	P/E ratio at Cap Price (number of times)*
Based on basic EPS as per the Restated Consolidated Financial Information for Fiscal 2024	[●]	[●]
Based on diluted EPS as per the Restated Consolidated Financial Information for Fiscal 2024	[●]	[●]

**To be computed after finalisation of the Price Band.*

III. Industry peer group P/E ratio

Based on the peer group information (excluding our Company) which has been given below:

Particulars	Industry P/E
Highest	84.99
Lowest	38.45
Average	61.72

Notes:

i. *The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below.*

ii. *P/E figures for the peer are computed based on closing market price as on November 18, 2024 on BSE, divided by Diluted EPS (on consolidated basis) based on the financial results declared by the peers for the Financial Year ending March 31, 2024 submitted to the stock exchanges.*

IV. Return on Net Worth attributable to the owners of our Company ("RoNW") on a consolidated basis

***As derived from the Restated Consolidated Financial Information*:**

Financial Year / period ended	RoNW (%)	Weightage
March 31, 2024	30.46	3
March 31, 2023	25.93	2
March 31, 2022	29.22	1
Weighted Average	**28.74**	
Three months ended June 30, 2024*	1.03	-
Three months ended June 30, 2023*	0.96	-

**Not annualized*

Notes:

i. *Return on Net Worth (%) = Profit after tax attributable to owners / Average Net worth (Average Net Worth is calculated as the arithmetic average of the opening and closing balance of Net Worth).*

ii. *Net Worth = Aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

V. Net Asset Value ("NAV") per Equity Share (of face value of ₹2 each) on a consolidated basis

As derived from the Restated Consolidated Financial Information

As at	NAV per Equity Share (in ₹)
June 30, 2024	56.39
March 31, 2024	57.20
After the completion of the Offer:	
(i) At Floor Price	[●]
(ii) At Cap Price	[●]
Offer Price (1)	[●]

(1) Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

(2) Net asset value per share = Net worth (excluding Non-Controlling Interest) as restated / weighted average number of equity shares outstanding at the end of the period / year adjusted for the subdivision of the equity shares and issue of bonus shares, in accordance with principles of Ind AS 33

(3) The figures disclosed above are based on the Restated Consolidated Financial Information of our Company.

VI. Comparison of accounting ratios with listed industry peers

The following is the comparison with our peer group companies listed in India and engaged in the same line of business as that of our Company:

Name of the company	Face value	Closing price on November 18, 2024	Revenue from operations for Fiscal 2024	EPS (₹)		NAV	P/E	RoNW (%)
	(₹ Per Equity Share)	(₹ Per Equity Share)	(in ₹ million)	Basic	Diluted	(₹ per share)		
SFC Environmental Technologies Limited	2.00	NA	6,583.92	15.16	15.16	57.20	NA	30.46
Listed Peers								
Thermax Limited	2.00	4,867.95	93,234.60	57.30	57.28	394.10	84.99x	15.53
Praj Industries Limited	2.00	696.90	34,662.78	15.42	15.42	69.36	45.19x	24.09
Ion Exchange (India) Limited	1.00	635.80	23,478.49	16.53	16.53	85.86	38.45x	21.18

Notes:

(i) All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports as available of the respective company for the relevant year ended March 31, 2024.

(ii) P/E Ratio has been computed based on the closing market price of equity shares on BSE on November 18, 2024, divided by the Diluted EPS for the Fiscal 2024.

(iii) Return on Net Worth (%) = Net profit after tax (attributable to owners) / Average Net Worth (Average Net Worth is defined as the arithmetic average of opening and closing balance of Net Worth).

(iv) Net Worth = Aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

(v) Net asset value per share = Net worth (excluding Non-Controlling Interest) as restated / weighted average number of equity shares outstanding at the end of the period / year adjusted for the subdivision of the equity shares and issue of bonus shares, in accordance with principles of Ind AS 33

VII. Key performance indicators ("KPIs")

The KPIs disclosed below are the KPIs pertaining to our Company that have been disclosed to our investors at any point of time during the three years period prior to the date of the filing of this Draft Red Herring Prospectus and which have been used historically by our Company to understand and analyse our business performance, which in result, helps us analyse the growth of various verticals in comparison to our peers as well as other relevant and material KPIs of the business of the Company. Our Company considers that the KPIs set forth below are the ones that may have a bearing for arriving at the basis for the Offer Price.

The KPIs disclosed herein below have been approved and confirmed by a resolution of our Audit Committee dated December 2, 2024. The members of the Audit Committee have verified the details of all KPIs pertaining to our Company, and have confirmed that verified and audited details of all the KPIs pertaining to our Company that have been disclosed to our investors at any point of time during the three years period prior to the date of the filing of this Draft Red Herring Prospectus have been disclosed in this section. The KPIs herein have been certified by M. I. Shah and Co., Chartered Accountants by their certificate dated December 2, 2024 which is also designated as a material document for inspection in connection with the Offer. For details of material documents, see "*Material Contracts and*

Documents for Inspection" on page 561.

The KPIs of our Company have also been disclosed in the sections titled *"Risk Factors", "Our Business"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 44, 253 and 447, respectively. We have described and defined the KPIs, as applicable, in "*Definitions and Abbreviations – Conventional and general terms and abbreviations*" on page 18.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the utilisation of the Offer Proceeds as per the disclosure made in the section "*Objects of the Offer*" on page 141, whichever is later, or for such other duration as may be required under the SEBI ICDR Regulations.

Explanation for KPI metrics

Set out below are explanations for how the KPIs listed above have been used by the management historically to analyse, track or monitor the operational and/or financial performance of our Company.

KPI		Explanation
Financial	Revenue from Operations	Revenue from operations is used by our management to track the revenue generated from the overall business and help assess the overall financial performance of our Company and also represents the scale of our business.
	Operating EBITDA	Operating EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit of joint ventures / associate and other income as per the Restated Consolidated Financial Information.
	Operating EBITDA Margin	Operating EBITDA margin track operational efficiency and operational profitability of the business. They assist in tracking the operational margin profile of our business benchmarked against our historical performance and against our peers. Operating EBITDA Margin (%) is calculated as Operating EBITDA divided by revenue from operations * 100.
	PAT	Profit for the period / year track overall profitability of the business. PAT represents total profit after tax for the year as per the Restated Consolidated Financial Information.
	PAT Margin	PAT Margin (%) track overall profitability of the business. They assist in tracking the overall margin profile of our business benchmarked against our historical performance and against our peers. PAT margin is calculated as PAT divided by revenue from operations * 100.
	Return on Equity	ROE is calculated as total profit after tax for the period / year divided by average total equity. RoE is used by the management to track how efficiently our Company generates profits from shareholders' funds.
	Return on Capital Employed	ROCE is used by the management to track how efficiently our Company generates earnings from the capital employed in the business and how well it is converting its total capital to generate profits. ROCE is calculated as a percentage of earnings before interest and taxes / total equity plus total borrowings plus deferred tax liabilities minus deferred tax assets as per the Restated Consolidated Financial Information. EBIT is calculated as profit before tax and share of profit of joint ventures / associate plus finance costs
	Net Debt to Equity Ratio	The net debt / equity ratio is used by the management to track whether our Company can repay its obligations if they were all due today and whether our Company is able to take on more debt. Net debt / equity is calculated as net debt divided by total equity.
	Net Worth	Net worth = Net worth shall mean the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation

KPI		Explanation
	Net Debt	Net Debt is calculated as total debt reduced by cash and cash equivalents and bank balances other than cash and cash equivalents.
	Fixed Asset Turnover Ratio	Fixed asset turnover is calculated as revenue from operations divided by average property, plant and equipment.
	Cash Conversion Cycle	Cash conversion cycle is computed as trade receivables days plus inventory days minus trade payable days; Wherein, trade receivable days is calculated as average trade receivables divided by revenue from operations multiplied by 365 for financial years; Inventory Days is calculated as average inventory divided by cost of goods sold multiplied by 365 for financial years; and trade payable days is calculated as average trade payables divided by cost of goods sold multiplied by 365 for financial years.
	Order Book	Our order book comprises anticipated revenue of waste water treatment business from the unexecuted portions of existing contracts / orders as well as from the new orders.

Details of KPIs as at and for the periods ended June 30, 2024 and June 30, 2023 and as at and for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022:

KPIs	Unit	June 30, 2024	June 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations	₹ (in million)	940.91	705.39	6,583.92	5,196.86	4,967.34
Operating EBITDA	₹ (in million)	93.79	34.39	1,932.54	1,240.72	1,088.02
Operating EBITDA Margin	%	9.97*	4.88*	29.35	23.87	21.90
PAT	₹ (in million)	65.01	26.80	1,441.73	948.09	851.60
PAT Margin	%	6.91*	3.80*	21.90	18.24	17.14
ROE	%	1.17*	0.65*	29.80	25.44	28.74
ROCE	%	1.92*	0.74*	28.91	28.57	31.24
Net Debt / Equity	X	(0.16)	(0.13)	(0.10)	(0.19)	(0.24)
Net worth	₹ (in million)	5,267.71	3,999.65	5,342.96	3,954.16	3,288.24
Net Debt	₹ (in million)	(910.40)	(538.09)	(579.39)	(783.14)	(800.00)
Fixed Asset Turnover	X	1.57*	1.53*	13.27	15.07	15.97
Cash Conversion Cycle#	Days	357	261	154	105	69

**Not annualized*

#Cash Conversion Cycle days have been rounded off to the nearest whole number

1) *Revenue from Operations is used by our management to track the revenue generated from the overall business and help assess the overall financial performance of our Company and also represents the scale of our business.*
2) *Operating EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit of joint ventures / associate and other income as per the Restated Consolidated Financial Information.*
3) *Operating EBITDA Margin track operational efficiency and operational profitability of the business. They assist in tracking the operational margin profile of our business benchmarked against our historical performance and against our peers. Operating EBITDA Margin (%) is calculated as Operating EBITDA divided by revenue from operations multiplied by 100.*
4) *Profit for the period / year track overall profitability of the business. PAT represents total profit after tax for the year as per the Restated Consolidated Financial Information.*
5) *PAT Margin (%) track overall profitability of the business. They assist in tracking the overall margin profile of our business benchmarked against our historical performance and against our peers. PAT margin is calculated as PAT divided by Revenue from Operations multiplied by 100.*
6) *ROE is calculated as total profit after tax for the period / year divided by average total equity. RoE is used by the management to track how efficiently our Company generates profits from shareholders' funds.*
7) *ROCE is used by the management to track how efficiently our Company generates earnings from the capital employed in the business and how well it is converting its total capital to generate profits. ROCE is calculated as a percentage of earnings before interest and taxes / total equity plus total borrowings plus deferred tax liabilities minus deferred tax assets as per the Restated Consolidated Financial Information. EBIT is calculated as profit before tax and share of profit of joint ventures / associate plus finance costs.*
8) *The Net Debt to Equity ratio is used by the management to track whether our Company can repay its obligations if they were all due today and whether our Company is able to take on more debt. Net Debt to Equity is calculated as net debt divided by total equity.*

9) *Net worth = Aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation*
10) *Net Debt is calculated as total debt reduced by cash and cash equivalents and bank balances other than cash and cash equivalents.*
11) *Fixed Asset Turnover is calculated as revenue from operations divided by average property, plant and equipment*
12) *Cash Conversion Cycle is computed as trade receivables days plus inventory days minus trade payable days; Wherein, trade receivable days is calculated as average trade receivables divided by revenue from operations multiplied by 365 for financial years, inventory days is calculated as average inventory divided by cost of goods sold multiplied by 365 for financial years and trade payable days is calculated as average trade payables divided by cost of goods sold multiplied by 365 for financial years. Days for three month period is calculated as 365/4.*

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 253 and 447, respectively.

Comparison of KPIs with our listed industry peers

Key Performance Indicators	**As at and for the three months ending June 30, 2024**			
	SFC	**Thermax**	**Praj**	**Ion**
Financial KPIs				
Revenue from Operations	940.91	21,844.10	6,991.41	5,675.70
Operating EBITDA	93.79	1,411.50	919.76	642.10
Operating EBITDA Margin*	9.97%	6.46%	13.16%	11.31%
PAT	65.01	1,094.20	841.81	447.80
PAT Margin*	6.91%	5.01%	12.04%	7.89%
ROE*	1.17%	NA	NA	NA
ROCE*	1.92%	NA	NA	NA
Net Debt / Equity	(0.16)	NA	NA	NA
Net worth	5,267.71	NA	NA	NA
Net Debt	(910.40)	NA	NA	NA
Fixed Asset Turnover Ratio*	1.57	NA	NA	NA
Cash Conversion Cycle (Days)	357	NA	NA	NA

**Not annualized*

Key Performance Indicators	**As at and for the three months ending June 30, 2023**			
	SFC	**Thermax**	**Praj**	**Ion**
Financial KPIs				
Revenue from Operations	705.39	19,329.60	7,367.23	4,792.20
Operating EBITDA	34.39	1,322.00	754.91	487.80
Operating EBITDA Margin*	4.88%	6.84%	10.25%	10.18%
PAT	26.80	599.50	586.73	333.20
PAT Margin*	3.80%	3.10%	7.96%	6.95%
ROE*	0.65%	NA	NA	NA
ROCE*	0.74%	NA	NA	NA
Net Debt / Equity	(0.13)	NA	NA	NA
Net worth	3,999.65	NA	NA	NA
Net Debt	(538.09)	NA	NA	NA
Fixed Asset Turnover Ratio*	1.53	NA	NA	NA
Cash Conversion Cycle (Days)	261	NA	NA	NA

**Not annualized*

Key Performance Indicators	**As at and for Fiscal 2024**			
	SFC	**Thermax**	**Praj**	**Ion**
Financial KPIs				
Revenue from Operations	6,583.92	93,234.60	34,662.78	23,478.49
Operating EBITDA	1,932.54	7,973.90	3,878.06	2,719.37
Operating EBITDA Margin	29.35%	8.55%	11.19%	11.58%
PAT	1,441.73	6,431.90	2,833.91	1,953.52

Key Performance Indicators	As at and for Fiscal 2024			
	SFC	Thermax	Praj	Ion
PAT Margin	21.90%	6.90%	8.18%	8.32%
ROE	29.80%	15.48%	24.09%	21.06%
ROCE	28.91%	15.75%	30.57%	24.12%
Net Debt / Equity	(0.10)	0.06	(0.17)	(0.44)
Net worth	5,342.96	44,398.00	12,744.70	10,179.07
Net Debt	(579.39)	2,806.30	(2,127.06)	(4,503.16)
Fixed Asset Turnover Ratio	13.27	6.80	10.77	9.94
Cash Conversion Cycle (Days)	154	83	59	86

Key Performance Indicators	As at and for Fiscal 2023			
	SFC	Thermax	Praj	Ion
Financial KPIs				
Revenue from Operations	5,196.86	80,898.10	35,280.38	19,896.09
Operating EBITDA	1,240.72	5,973.60	3,180.00	2,549.87
Operating EBITDA Margin	23.87%	7.39%	9.01%	12.82%
PAT	948.09	4,507.00	2,398.18	1,949.66
PAT Margin	18.24%	5.57%	6.80%	9.80%
ROE	25.44%	12.24%	24.06%	26.16%
ROCE	28.57%	14.01%	30.31%	30.43%
Net Debt / Equity	(0.19)	(0.08)	(0.13)	(0.59)
Net worth	3,954.16	38,680.70	10,779.98	8,334.91
Net Debt	(783.14)	(3,210.40)	(1,448.20)	(4,954.84)
Fixed Asset Turnover Ratio	15.07	7.97	15.85	12.62
Cash Conversion Cycle (Days)	105	103	66	107

Key Performance Indicators	As at and for Fiscal 2022			
	SFC	Thermax	Praj	Ion
Financial KPIs				
Revenue from Operations	4,967.34	61,283.30	23,333.17	15,768.68
Operating EBITDA	1,088.02	4,213.70	1,937.84	2,132.07
Operating EBITDA Margin	21.90%	6.88%	8.31%	13.52%
PAT	851.60	3,123.10	1,502.42	1,616.88
PAT Margin	17.14%	5.10%	6.44%	10.25%
ROE	28.74%	9.26%	17.48%	27.86%
ROCE	31.24%	11.69%	22.68%	32.70%
Net Debt / Equity	(0.24)	(0.17)	(0.17)	(0.74)
Net worth	3,288.24	34,924.90	9,157.19	6,556.61
Net Debt	(800.00)	(5,980.80)	(1,550.83)	(4,878.12)
Fixed Asset Turnover Ratio	15.97	6.03	11.25	10.75
Cash Conversion Cycle (Days)	69	116	80	153

**All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports as available of the respective company for the relevant year ended March 31, 2024.*

***In computing the above ratios and KPIs of the listed peer, we have used the same formulas as defined and considered for the Company. We have checked the arithmetical accuracy of such computation provided by the management of the Company and traced the amounts / figures involved therein from the publicly available financials information of the listed peer.*

Notes:

1. *Revenue from Operations is used by our management to track the revenue generated from the overall business and help assess the overall financial performance of our Company and also represents the scale of our business.*
2. *Operating EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit of joint ventures / associate and other income as per the Restated Consolidated Financial Information.*
3. *Operating EBITDA margin track operational efficiency and operational profitability of the business. They assist in tracking the operational margin profile of our business benchmarked against our historical performance and against our peers. Operating EBITDA Margin (%) is calculated as Operating EBITDA divided by Revenue from Operations*100.*
4. *Profit for the period / year track overall profitability of the business. PAT represents total profit after tax for the period / year as per the Restated Consolidated Financial Information.*
5. *PAT Margin (%) track overall profitability of the business. They assist in tracking the overall margin profile of our business benchmarked against our historical performance and against our peers. PAT margin is calculated as PAT divided by revenue from operations *100.*

6. *ROE is calculated as total profit after tax for the period / year divided by average total equity. RoE is used by the management to track how efficiently our Company generates profits from shareholders' funds.*
7. *ROCE is used by the management to track how efficiently our Company generates earnings from the capital employed in the business and how well it is converting its total capital to generate profits. ROCE is calculated as a percentage of earnings before interest and taxes / total equity plus total borrowings plus deferred tax liabilities minus deferred tax assets as per the Restated Consolidated Financial Information. EBIT is calculated as profit before tax and share of profit of joint ventures / associate plus finance costs.*
8. *The Net debt / Equity ratio is used by the management to track whether our Company can repay its obligations if they were all due today and whether our Company is able to take on more debt. Net Debt / Equity is calculated as net debt divided by total equity.*
9. *Net worth = Aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation*
10. *Net Debt is calculated as total debt reduced by cash and cash equivalents and bank balances other than cash and cash equivalents.*
11. *Fixed asset turnover is calculated as revenue from operations divided by average property, plant and equipment*
12. *Cash conversion cycle is computed as trade receivables days plus inventory days minus trade payable days; Wherein, trade receivable days is calculated as average trade receivables divided by revenue from operations multiplied by 365 for financial years, inventory days is calculated as average inventory divided by cost of goods sold multiplied by 365 for financial years and trade payable days is calculated as average trade payables divided by cost of goods sold multiplied by 365 for financial years. Days for three month period is calculated as 365/4. Cash Conversion Cycle days have been rounded off to the nearest whole number.*

VIII. Weighted average cost of acquisition ("WACA"), Floor Price and Cap Price

a) *The price per share of our Company (as adjusted for corporate actions, including bonus issuances) based on the primary / new issue of shares (equity / convertible securities), excluding shares issued under the ESOP Scheme and issuance of bonus shares, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("**Primary Issuances**")*

The details of Equity Shares or convertible securities during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, excluding the issuance of ESOP and bonus shares, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days are as follows:

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Date of Allotment	Name of Allotee	Number of equity shares transacted of face value of ₹10 each	Number of Equity Shares transacted (adjusted for split) of face value of ₹2 each	Issue price per Equity Shares of face value of ₹10 each (₹)	Issue price per Equity Shares (₹) (adjusted for split) of face value of ₹2 each	Nature of Allotment	Nature of Consideration	Total Cost (in ₹ million)
July 24, 2023	Aar Em Ventures LLP	36,750	183,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	20.24
	Alpa Jayesh Keniya	875	4,375	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.48
	Alpa Sunil Chheda	7,875	39,375	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	4.34
	Alprishi Realtors LLP	62,125	310,625	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	34.22
	Anil Bhavanji Shah (held jointly with Darshana Anil Shah)	31,063	155,315	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	17.11
	Aparna Vivek Kapoor	274,778	1,373,890	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	151.36
	Arvind Kanji Chheda (held jointly with Ranjan Arvind Chheda)	8,750	43,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	4.82
	Ashish Sharma	4,183	20,915	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.30
	Ashtapad Trading LLP	4,375	21,875	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.41
	Bhagyashree Anil Sawant	875	4,375	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.48
	Bhavesh Dhirajlal Sheth (held jointly with Rita Bhavesh Sheth)	1,313	6,565	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.72
	Bhaveshkumar Bachubhai Mehta	54,250	271,250	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	29.88
	Bhavini Nimesh Maru	875	4,375	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.48
	Bina Vidyut Shah	2,800	14,000	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.54
	Chandni Milan Maheshwari	1,313	6,565	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.72
	Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri)	46,725	233,625	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	25.74
	Damji Manek Gada	2,188	10,940	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.21

Date of Allotment	Name of Allotee	Number of equity shares transacted of face value of ₹10 each	Number of Equity Shares transacted (adjusted for split) of face value of ₹2 each	Issue price per Equity Shares of face value of ₹10 each (₹)	Issue price per Equity Shares (₹) (adjusted for split) of face value of ₹2 each	Nature of Allotment	Nature of Consideration	Total Cost (in ₹ million)
	Devesh Rajesh Kabra	1,750	8,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.96
	Dhanvallabh Ventures Fund - Scheme I	93,013	465,065	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	51.24
	Dina Damji Gada	2,188	10,940	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.21
	Dinesh Devchand Ghalla (held jointly with Priti Dinesh Ghalla)	2,625	13,125	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.45
	Dipti Pankaj Gosrani	2,100	10,500	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.16
	Elixir Commercial and Advisory Services LLP	2,800	14,000	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.54
	Faizan Abdul Gaffar Chaudhary	5,110	25,550	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.81
	Hardik Suresh Matalia	2,450	12,250	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.35
	Harit Pragji Shah (held jointly with Jayshree Harit Shah)	7,000	35,000	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	3.86
	Hasmukh Devraj Gala	875	4,375	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.48
	Heena Bhatia	18,375	91,875	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	10.12
	Hemlata Rasiklal Gala	1,313	6,565	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.72
	Hitesh M Bhanushali	438	2,190	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.24
	Indira Madan Dedhia (held jointly with Madan Dhanji Dedhia)	3,500	17,500	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.93
	Intellect Endeavours LLP	7,000	35,000	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	3.86
	Ishan Sudhir Gosar	1,750	8,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.96
	Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri	221,120	1,105,600	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	121.80

Date of Allotment	Name of Allotee	Number of equity shares transacted of face value of ₹10 each	Number of Equity Shares transacted (adjusted for split) of face value of ₹2 each	Issue price per Equity Shares of face value of ₹10 each (₹)	Issue price per Equity Shares (₹) (adjusted for split) of face value of ₹2 each	Nature of Allotment	Nature of Consideration	Total Cost (in ₹ million)
	Gala)							
	Jayesh Lakhamshi Haria	2,625	13,125	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.45
	Jayshree Harit Shah (held jointly with Harit Pragji Shah)	26,250	131,250	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	14.46
	Jiggar L Savla	1,313	6,565	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.72
	Jitesh Jaswantlal Shah	263	1,315	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.14
	Jyoti Subodh Sapre	227,467	1,137,335	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	125.30
	Kalpana Sudhir Bheda (held jointly with Sudhir Shivji Bheda)	17,500	87,500	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	9.64
	Kalpen Madan Dedhia (held jointly with Deepali Kalpen Dedhia)	4,375	21,875	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.41
	Kanchan Shantilal Vora (held jointly with Shantilal Shivji Vora)	13,563	67,815	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	7.47
	Karan Balkrishna Shah	2,188	10,940	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.21
	Ketan Arvind Shah (held jointly with Arvind Kantilal Shah)	2,100	10,500	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.16
	Ketan Dharshi Savla (held jointly with Rekha Ketan Savla)	1,313	6,565	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.72
	Kinnari Kartik Dedhia (held jointly with Kartik Kantilal Dedhia)	4,375	21,875	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.41
	Kiran Dhiren Gogri	4,813	24,065	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.65
	Kirit Ratilal Mehta (held jointly with Smita Kirit Mehta)	875	4,375	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.48
	Kirti Mavji Malde (HUF)	2,275	11,375	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.25

Date of Allotment	Name of Allotee	Number of equity shares transacted of face value of ₹10 each	Number of Equity Shares transacted (adjusted for split) of face value of ₹2 each	Issue price per Equity Shares of face value of ₹10 each (₹)	Issue price per Equity Shares (₹) (adjusted for split) of face value of ₹2 each	Nature of Allotment	Nature of Consideration	Total Cost (in ₹ million)
	Krisha Yogesh Nahar	4,550	22,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.51
	Kruti Sagar Sheth	2,100	10,500	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.16
	Kumaraguru Madurakavi	374,801	1,874,005	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	206.46
	Mahesh Premji Vikam	9,275	46,375	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	5.11
	Maitry Nikhil Shah	1,750	8,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.96
	Malay Kiran Nandu	1,750	8,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.96
	Mandakini Komal Shah (held jointly with Komalbhai Muljibhai Shah)	1,925	9,625	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.06
	Mangal Viram Gadhavi (held jointly with Palubhai Virambhai Gadhavi)	1,750	8,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.96
	Manish Mavji Dedhia	2,188	10,940	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.21
	Manoj Mulji Chheda	5,250	26,250	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.89
	Mansukh Premji Gala	1,313	6,565	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.72
	Maya M Savla (held jointly with Mulesh Manilal Savla)	11,375	56,875	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	6.27
	Narendra Murji Dedhia (held jointly with Dina Narendra Dedhia)	11,813	59,065	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	6.51
	Narendra Vasanji Mamania (held jointly with Jinal Narendra Mamania)	4,375	21,875	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.41
	Navin Chapshi Shah	4,375	21,875	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.41
	Neelam Ashok Chheda	4,375	21,875	550.85	110.17	Allotment pursuant to	Other than cash	2.41

Date of Allotment	Name of Allotee	Number of equity shares transacted of face value of ₹10 each	Number of Equity Shares transacted (adjusted for split) of face value of ₹2 each	Issue price per Equity Shares of face value of ₹10 each (₹)	Issue price per Equity Shares (₹) (adjusted for split) of face value of ₹2 each	Nature of Allotment	Nature of Consideration	Total Cost (in ₹ million)
						Scheme of Amalgamation		
	Neerav Dhirajlal Gala	1,750	8,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.96
	Neeta Navin Nagda	3,938	19,690	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.17
	Nehal Garewal	18,375	91,875	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	10.12
	Nemin Mahesh Savadia (held jointly with Mahesh Mathuradas Savadia)	5,250	26,250	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.89
	Nikhil Holdings Private Limited	17,500	87,500	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	9.64
	Palubhai Virambhai Gadhavi (held jointly with Mangal Viram Gadhavi)	1,750	8,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.96
	Parag Bipinchandra Shah	2,450	12,250	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.35
	Paresh S Kariya (held jointly with Purvi P Karia)	6,563	32,815	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	3.62
	Paresh Shashikant Shah (held jointly with Varsha Paresh Shah)	1,313	6,565	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.72
	Parindu Bansilal Gogri Trust	9,363	46,815	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	5.16
	Parul Samir Shah (held jointly with Samir Pragji Shah)	3,063	15,315	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.69
	Parul Yogesh Nahar	18,550	92,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	10.22
	Prajay Vikram Shah (held jointly with Seema Vikram Shah)	1,750	8,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.96
	Pravin Jakhubhai Nandu	875	4,375	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.48
	Pravinchandra Valji Rambhia (held jointly with Dhaval P Rambhia)	1,313	6,565	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.72
	Priti Piyush Shah	14,175	70,875	550.85	110.17	Allotment pursuant to	Other than cash	7.81

Date of Allotment	Name of Allotee	Number of equity shares transacted of face value of ₹10 each	Number of Equity Shares transacted (adjusted for split) of face value of ₹2 each	Issue price per Equity Shares of face value of ₹10 each (₹)	Issue price per Equity Shares (₹) (adjusted for split) of face value of ₹2 each	Nature of Allotment	Nature of Consideration	Total Cost (in ₹ million)
						Scheme of Amalgamation		
	Priyank Mukesh Dedhia (held jointly with Mukesh Dhirajlal Dedhia)	2,188	10,940	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.21
	Purnima Paresh Satra (held jointly with Paresh Maganlal Satra)	875	4,375	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.48
	Rachi Santosh Vora (held jointly with Santosh Shantilal Vora and Shantilal Shivji Vora)	13,563	67,815	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	7.47
	Rajesh Kesavan Nambisan	374,801	1,874,005	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	206.46
	Rashmi Kiran Nandu	2,625	13,125	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.45
	Rishita Jatin Karani	4,813	24,065	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.65
	Ruchi Umrao	875	4,375	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.48
	Rupal Bharat Pasad	1,313	6,565	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.72
	Sagar Mahesh Tanna	1,750	8,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.96
	Saket Dhandoriya	562,275	2,811,375	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	309.73
	Sandeep Gupta	1,750	8,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.96
	Sandeep Sambhaji Parab	374,801	1,874,005	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	206.46
	Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)	1,205,698	6,028,490	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	664.16
	Sangoi Nirav Ramnik	1,313	6,565	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.72
	Santosh Shantilal Vora (held jointly with Shantilal Shivji Vora and Kanchan Shantilal Vora)	13,563	67,815	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	7.47
	Sarvam Realties LLP	1,393	6,965	550.85	110.17	Allotment pursuant to	Other than cash	0.77

Date of Allotment	Name of Allotee	Number of equity shares transacted of face value of ₹10 each	Number of Equity Shares transacted (adjusted for split) of face value of ₹2 each	Issue price per Equity Shares of face value of ₹10 each (₹)	Issue price per Equity Shares (₹) (adjusted for split) of face value of ₹2 each	Nature of Allotment	Nature of Consideration	Total Cost (in ₹ million)
						Scheme of Amalgamation		
	Sarvesh Kumar Garg	374,801	1,874,005	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	206.46
	Seema Vikram Shah (held jointly with Vikram Talakshi Shah)	1,750	8,750	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.96
	Shantilal Shivji Vora (held jointly with Kanchan Shantilal Vora)	13,563	67,815	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	7.47
	Sheetal Dugar	93,625	468,125	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	51.57
	Suvarna Mayank Shah (held jointly with Mayank Pravinchandra Shah)	4,375	21,875	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.41
	Taral V Nagda	2,100	10,500	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	1.16
	Varsha Rajaram Galvankar (held jointly with Neela Rajaram Galvankar)	875	4,375	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.48
	Veera Venkata Satyanarayana Yannamani	174,974	874,870	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	96.38
	Vicky Hemchand Gala (held jointly with Beena Vicky Gala)	9,188	45,940	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	5.06
	Vignesh Shivji Bheda	4,375	21,875	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.41
	Vijay Vasanji Mamania (held jointly with Narendra Vasanji Mamania)	5,250	26,250	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	2.89
	Vipul Ramesh Vira (held jointly with Priti Vipul Vira)	1,313	6,565	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.72
	Virchand Premji Gala	875	4,375	550.85	110.17	Allotment pursuant to Scheme of Amalgamation	Other than cash	0.48
	Weighted average cost of acquisition							**110.17**

Note:

1. *Pursuant to a resolution of our Board passed in their meeting held on August 14, 2024, and a resolution of our Shareholders passed in their annual general meeting held on September 5, 2024, each fully paid - up equity share of our Company of face value ₹10 each was subdivided into 5 Equity Shares of ₹2 each. The impact of the subdivision has been considered in the calculation of number of Equity Shares and in the weighted average cost of acquisition price per Equity Share.*
2. *In accordance with the composite scheme of amalgamation and arrangement, for the amalgamation of Enviropro Water Tech Private Limited ("**First Transferor Company**") and Intergeo Solid Waste Management Private Limited ("**Second Transferor Company**", together with the First Transferor Company, the "**Transferor Companies**") into and with our Company, 1,750 fully paid up Equity Shares of ₹10 each of our Company were issued and allotted for every 1,000 fully paid up equity shares of ₹10 each held by the shareholder of First Transferor Company at a valuation of ₹ 550.85 per share. The Second Transferor Company was a wholly owned subsidiary of our Company, and pursuant to the Scheme, the entire paid up share capital in the Second Transferor Company was cancelled without payment of any consideration. To determine the weighted average cost of acquisition of the shares of our Company allotted to the shareholders of First Transferor Company, we have taken the valuation ₹ 550.85 per share assigned as per the valuation report.*

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b) *The price per share of our Company (as adjusted for corporate actions, including bonus issuances) based on the secondary sale / acquisition of shares (equity / convertible securities) (excluding gifts) involving any of the Promoter or Promoter Group or Selling Shareholders or other shareholders with the right to nominate directors on our Board during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("***Secondary Transactions***")*

The details of secondary sale / acquisitions of Equity Shares or any convertible securities, where the Promoters, members of the Promoter Group, Selling Shareholders or Shareholders having the right to nominate director(s) on the Board of Directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days are as follows:

Date of transfer	Name of transferor	Name of transferee	No. of equity shares of face value ₹ 10 each	Number of Equity Shares acquired - post effect of sub-division of ₹ 2 each	Price per equity shares of face value of ₹10 each (₹)	Issue price per Equity Shares (₹) (adjusted for split) of face value of ₹2 each	Nature of transaction	Nature of consideration	Total consideration (in ₹ million) (1)
April 30, 2024	Aparna Vivek Kapoor	Asolkar Tradecraft Private Limited	331,888	1,659,440	1,125.00	225.00	Purchase of equity shares	Cash	373.37
October 11, 2023	Sandeep Sambhaji Parab	Jaya Chandrakant Gogri jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala	6,320	31,600	1,076.00	215.20	Sale of equity shares and purchase of equity shares	Cash	6.80
December 07, 2023	Sandeep Sambhaji Parab	Madhubala Ketan Gada	2,000	10,000	1,125.00	225.00	Sale of equity shares	Cash	2.25
December 07, 2023	Sandeep Sambhaji Parab	Bina Ramnik Sangoi	3,000	15,000	1,125.00	225.00	Sale of equity shares	Cash	3.38
December 07, 2023	Sandeep Sambhaji Parab	Hemali Rohit Gada	2,000	10,000	1,125.00	225.00	Sale of equity shares	Cash	2.25
December 07, 2023	Sandeep Sambhaji Parab	Ramnik Lalji Sangoi	6,000	30,000	1,125.00	225.00	Sale of equity shares	Cash	6.75
December 07, 2023	Sandeep Sambhaji Parab	Parimal Hasmukhlal Desai	28,890	144,450	1,125.00	225.00	Sale of equity shares	Cash	32.50
December 14, 2023	Sandeep Sambhaji Parab	Niral Komal Shah	9,000	45,000	1,125.00	225.00	Sale of equity shares	Cash	10.13
December 14, 2023	Sandeep Sambhaji Parab	Nikhil Holdings Private Limited	6,110	30,550	1,125.00	225.00	Sale of equity shares	Cash	6.87
December 14, 2023	Sandeep Sambhaji Parab	Aakansha Unichem LLP	5,300	26,500	1,125.00	225.00	Sale of equity shares	Cash	5.96
February 01, 2024	Rajesh Kesavan Nambisan	Deepak Jethalal Haria	500	2,500	1,125.00	225.00	Sale of equity shares	Cash	0.56
February 01, 2024	Rajesh Kesavan Nambisan	Bharati Vipul Gala	2,000	10,000	1,125.00	225.00	Sale of equity shares	Cash	2.25
February 01, 2024	Rajesh Kesavan Nambisan	Manjulaben Popatlal Gala	2,000	10,000	1,125.00	225.00	Sale of equity shares	Cash	2.25
February 01, 2024	Rajesh Kesavan Nambisan	Hetal Viral Gala	2,000	10,000	1,125.00	225.00	Sale of equity shares	Cash	2.25
November 10, 2023	Rajesh Kesavan Nambisan	Kinnari Kartik Dedhia	4,500	22,500	1,125.00	225.00	Sale of equity shares	Cash	5.06
November 10, 2023	Rajesh Kesavan Nambisan	Alpa Sunil Chheda	7,500	37,500	1,125.00	225.00	Sale of equity shares	Cash	8.44
November 10, 2023	Rajesh Kesavan Nambisan	Kalpen Madan Dedhia	22,500	112,500	1,125.00	225.00	Sale of equity shares	Cash	25.31
October 11, 2023	Rajesh Kesavan Nambisan	Jaya Chandrakant Gogri jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala	6,320	31,600	1,076.00	215.20	Sale of equity shares and purchase of equity shares	Cash	6.80
November 20, 2023	Rajesh Kesavan Nambisan	Aakansha Unichem LLP	800	4,000	1,125.00	225.00	Sale of equity shares	Cash	0.90
November 20, 2023	Rajesh Kesavan Nambisan	Minal Chandulal Gala	9,000	45,000	1,125.00	225.00	Sale of equity shares	Cash	10.13
November 20, 2023	Rajesh Kesavan Nambisan	Dina Narendra Dedhia	5,000	25,000	1,125.00	225.00	Sale of equity shares	Cash	5.63

Date of transfer	Name of transferor	Name of transferee	No. of equity shares of face value ₹ 10 each	Number of Equity Shares acquired - post effect of sub-division of ₹ 2 each	Price per equity shares of face value of ₹10 each (₹)	Issue price per Equity Shares (₹) (adjusted for split) of face value of ₹2 each	Nature of transaction	Nature of consideration	Total consideration (in ₹ million) [(1)]
November 20, 2023	Rajesh Kesavan Nambisan	Payal Viral Shah	1,500	7,500	1,125.00	225.00	Sale of equity shares	Cash	1.69
November 20, 2023	Rajesh Kesavan Nambisan	Narendra Murji Dedhia	5,000	25,000	1,125.00	225.00	Sale of equity shares	Cash	5.63
October 17, 2023	Kumaraguru Madurakavi	Jaya Chandrakant Gogri jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala	6,320	31,600	1,076.00	215.20	Sale of equity shares and purchase of equity shares	Cash	6.80
November 06, 2023	Kumaraguru Madurakavi	Aakansha Unichem LLP	62,300	311,500	1,125.00	225.00	Sale of equity shares	Cash	70.09
October 06, 2023	Veera Venkata Satyanarayana Yannamani	Jaya Chandrakant Gogri jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala	2,950	14,750	1,076.00	215.20	Sale of equity shares and purchase of equity shares	Cash	3.17
November 13, 2023	Veera Venkata Satyanarayana Yannamani	Aakansha Unichem LLP	29,100	145,500	1,125.00	225.00	Sale of equity shares	Cash	32.74
October 26, 2023	Sarvesh Kumar Garg	Jaya Chandrakant Gogri jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala	6,320	31,600	1,076.00	215.20	Sale of equity shares and purchase of equity shares	Cash	6.80
October 06, 2023	Aparna Vivek Kapoor	Sagar Mahesh Tanna	1,250	6,250	1,076.00	215.20	Purchase of equity shares	Cash	1.35
November 07, 2023	Aparna Vivek Kapoor	Sagar Mahesh Tanna	2,000	10,000	1,125.00	225.00	Purchase of equity shares	Cash	2.25
February 21, 2024	Aparna Vivek Kapoor	Jayshree Harit Shah, jointly with Harit Pragji Shah	5,000	25,000	1,125.00	225.00	Purchase of equity shares	Cash	5.63
April 10, 2024	Bharati Vipul Gala	Chandrakant Vallabhaji Gogri, jointly with Jaya Chandrakant Gogri	2,000	10,000	1,125.00	225.00	Purchase of equity shares	Cash	2.25
April 12, 2024	Hetal Viral Gala	Chandrakant Vallabhaji Gogri, jointly with Jaya Chandrakant Gogri	2,000	10,000	1,125.00	225.00	Purchase of equity shares	Cash	2.25
July 19, 2024	Ramnik Lalji Sangoi	Chandrakant Vallabhaji Gogri, jointly with Jaya Chandrakant Gogri	3,000	15,000	1,125.00	225.00	Purchase of equity shares	Cash	3.38
July 19, 2024	Bina Ramnik Sangoi	Chandrakant Vallabhaji	3,000	15,000	1,125.00	225.00	Purchase of equity	Cash	3.38

Date of transfer	Name of transferor	Name of transferee	No. of equity shares of face value ₹ 10 each	Number of Equity Shares acquired - post effect of sub-division of ₹ 2 each	Price per equity shares of face value of ₹10 each (₹)	Issue price per Equity Shares (₹) (adjusted for split) of face value of ₹2 each	Nature of transaction	Nature of consideration	Total consideration (in ₹ million) [1]
		Gogri, jointly with Jaya Chandrakant Gogri					shares		
October 06, 2023	Aparna Vivek Kapoor	Jaya Chandrakant Gogri, jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala	8,440	42,200	1,076.00	215.20	Purchase of equity shares	Cash	9.08
November 21, 2023	Aparna Vivek Kapoor	Jaya Chandrakant Gogri, jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala	100,000	500,000	1,125.00	225.00	Purchase of equity shares	Cash	112.50
March 26, 2024	Parimal Hasmukhlal Desai	Jaya Chandrakant Gogri, jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala	18,000	90,000	1,125.00	225.00	Purchase of equity shares	Cash	20.25
April 10, 2024	Anil Bhavanji Shah	Jaya Chandrakant Gogri, jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala	7,500	37,500	1,125.00	225.00	Purchase of equity shares	Cash	8.44
							Weighted average cost of acquisition		**224.49**

Notes:

1. *Pursuant to a resolution of our Board passed in their meeting held on August 14, 2024, and a resolution of our Shareholders passed in their annual general meeting held on September 5, 2024, each fully paid - up equity share of our Company of face value ₹10 each was subdivided into 5 Equity Shares of ₹2 each. The impact of the subdivision has been considered in the calculation of number of Equity Shares and in the weighted average cost of acquisition price per Equity Share.*

c) *Price per share based on the last five primary or secondary transactions*

Not applicable, since there are transactions to report under (a) and (b) above, therefore, this information for price per share based on the last five primary or secondary transactions (secondary transactions where the Promoters, members of the Promoter Group, Selling Shareholders or shareholders with special rights are a party to the transaction), not older than three years prior to the date of the filing of the Draft Red Herring Prospectus is irrespective of the size of transactions, and is accordingly not applicable.

d) *Weighted average cost of acquisition, floor price and cap price*

Based on the disclosures in (a), (b) and (c) above, the weighted average cost of acquisition of the securities compared with the Floor Price and the Cap Price is set forth below:

Past transactions	**Weighted average cost of acquisition per Equity Share (in ₹)**	**Comparison with Floor Price (₹[●])**	**Comparison with Cap Price (₹[●])**
Weighted average cost of acquisition of primary issuances as set out in (a) above	110.17	[●] times	[●] times
Weighted average cost of acquisition of secondary issuances as set out in (b) above	224.49	[●] times	[●] times
- Based on primary transactions	Not applicable		
- Based on secondary transactions			

As certified by the M. I. Shah and Co., Chartered Accountants, by way of their certificate dated December 2, 2024.

Explanation for Offer Price / Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (as set out above) along with our Company's key performance indicators and financial ratios for Fiscals 2024, 2023 and 2022.

[●]*
**To be included on finalisation of Price Band*

Explanation for Offer Price / Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (as set out above) in view of the external factors which may have influenced the pricing of the Offer.

[●]*
**To be included on finalisation of Price Band*

The Offer Price of ₹[●] has been determined by our Company, in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the aforementioned information along with "*Risk Factors*", "*Our Business*", "*Restated Consolidated Financial Information*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 44, 253, 334 and 447, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

Date: December 2, 2024

To,

The Board of Directors
SFC Environmental Technologies Limited
(formerly SFC Environmental Technologies Private Limited)
The Ambience Court,
Hi-Tech Business Park,
21st Floor, Sector 19-D,
Plot No.2, Vashi
Navi Mumbai – 400 703, Maharashtra, India

Re: **Proposed initial public offering of equity shares (the "Equity Shares") of SFC Environmental Technologies Limited (*formerly SFC Environmental Technologies Private Limited*) (the "Company", and such initial public offering, the "Offer")**

We, GBCA & Associates LLP, Chartered Accountants, statutory auditors to the Company, Firm Registration Number 103142W/W100292, hereby report the special tax benefits available to the Company, its shareholders and to its material subsidiaries identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended being Chavare Engineering Private Limited and Hindustan Waste Treatment Private Limited (such entities referred to as "**Material Subsidiaries**"), pursuant to

(i) applicable direct taxation laws, under **Income Tax Act, 1961** (read with Income Tax Rules 1962, circulars and notifications) as amended by the **Finance Act (2), 2024** (hereinafter referred to as the "**Income Tax Regulations**"); and

(ii) applicable indirect taxation laws, under the Central Goods and Services Tax Act, 2017 and Integrated Goods and Services Tax Act, 2017 ("**GST law**"), the Customs Act, 1962 and Customs Tariff Act, 1975 ("**Customs law**") and the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023) read with Rules, Circulars, and Notifications (Collectively referred to as the "**Indirect-tax Regulations**")

are in the enclosed statement **Annexure A**.

Several of these stated tax benefits/consequences are dependent on the Company or its shareholders or its Material Subsidiaries fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders or its Material Subsidiaries to derive the tax benefits is dependent on fulfilling such conditions.

The benefits discussed in the enclosed annexure are not exhaustive. **Annexure A** is for your information and for inclusion in the draft red herring prospectus, red herring prospectus, prospectus and any other material used in connection with the Offer (together the "**Offer Documents")** with the Securities and Exchange Board of India ("**SEBI**"), BSE Limited and National Stock Exchange of India Limited (collectively, the "**Stock Exchanges**") and subsequently the red herring prospectus and the prospectus with the Registrar of Companies, Maharashtra, at Mumbai ("**RoC**"), in accordance with the provisions of the Securities and Exchange Board of India (Offer of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**") may be prepared in connection with the Offer and is neither designed nor intended to be a substitute for professional tax advice.

In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest money based on this statement. These statements do not cover any general tax benefits available to the Company and/or its shareholders and/or its Material Subsidiaries and is neither designed nor intended to be a substitute for professional tax advice.

We do not express any opinion or provide any assurance as to whether:

i) the Company or its shareholders or its Material Subsidiaries will continue to obtain these benefits in future; or

ii) the conditions prescribed for availing the benefits have been/would be met with; or.

iii) The revenue authorities/courts will concur with the views expressed herein.

We hereby give consent to include this statement of special tax benefits in the draft red herring prospectus and in any other material used in connection with the Offer (together, the "**Offer Documents**").

The aforesaid information contained herein and in **Annexure A** may be relied upon by the Book Running Lead Managers and legal counsels appointed pursuant to the Offer and may be submitted to the stock exchanges, the Securities and Exchange Board of India, and any other regulatory or statutory authority in respect of the Offer and for the records to be maintained by the Book Running Lead Managers in connection with the Offer.

We undertake to immediately inform the Book Running Lead Managers and legal counsels in case of any changes to the above until the date when the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate.

Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the Offer Documents.

Yours faithfully,
For and on behalf of GBCA & Associates LLP, Chartered Accountants
Firm Registration Number: 103142W / W100292

____

Yogesh Amal
Partner
Membership No. 111636
UDIN: 24111636BKCSXB7100
Place: Mumbai

cc:

IIFL Capital Services Limited ("IIFL")
(formerly known as IIFL Securities Limited)
24th Floor, One Lodha Place,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai - 400 013,
Maharashtra, India

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg,
Prabhadevi
Mumbai – 400 025

Nuvama Wealth Management Limited ("Nuvama")
801-804, Wing A, Building No 3, Inspire BKC,
G Block Bandra Kurla Complex,
Bandra East, Mumbai – 400 051
Maharashtra, India

ANNEXURE A

Outlined below are the Possible Special Tax Benefits available to the Company, its shareholders and its Material Subsidiaries under the Tax Laws in force in India (i.e., applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26 till the signing date of this annexure). These Possible Special Tax Benefits are dependent on the Company, its shareholders and its Material Subsidiaries fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders and its Material Subsidiaries to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE INCOME TAX REGULATIONS

A. Special tax benefits available to the Company

Lower corporate tax rates on income of domestic companies - Section 115BAA of the Income-tax Act, 1961 ('the Act')

A new section 115BAA has been inserted in the Act by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") w.e.f. from FY 2019-20 relevant to AY 2020-21. Section 115BAA grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%) and the option once exercised shall apply to subsequent assessment years. In such a case, the Company shall not be allowed to claim any of the following deductions/exemptions:

i. Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
ii. Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
iii. Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
iv. Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
v. Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
vi. Deduction under section 35CCD (Expenditure on skill development)
vii. Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or Section 80M
viii. No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause (i) to (vii) above
ix. No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred from clause (i) to (vii) above

Further, it was clarified by CBDT vide Circular No. 29/ 2019 dated 2 October 2019 that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT.

In this regard, the Company has opted to be covered under the provisions of Section 115BAA of the Act and would be eligible for a reduced tax rate of 22% (25.168% along with surcharge and health and education cess) from AY 2020-21.

Any dividend income earned by the Company would be taxable and TDS would be deducted on the same, at applicable rates. However, deduction under Section 80M of the Act would be available to the Company on fulfilling the prescribed conditions.

B. Special tax benefits available to the Material Subsidiary

As per Section 80IA of the Act, 100% of profits derived from businesses that operate in infrastructure, power, telecommunication, and other specified sectors for 10 consecutive assessment years out of 15 or 20 years (as per the nature of business) beginning from the year in which the enterprise develops or begins to operate the businesses, subject to the fulfillment of prescribed conditions under the Act.

In this regard, Hindustan Waste Treatment Private Limited, a material subsidiary of the Company, has opted to be covered under the provisions of this section to avail deductions subject to fulfilling the prescribed conditions.

C. Special tax benefits available to the Shareholders of the Company

- As per Section 112A of the Act, long-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 12.5% plus applicable surcharge and cess (without indexation) of such capital gains for transfer which takes place on or after 23rd July, 2024 subject to fulfillment of prescribed conditions under the Act as well as per Notification No. 60/2018/F. No.370142/9/2017-TPL dated 01 October 2018. It is worthwhile to note that tax shall be levied where such capital gains exceed Rs.1,25,000.

- As per section 111A of the Act, short term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust on or after 23rd July, 2024 shall be taxed at 20% plus applicable surcharge and cess subject to fulfillment of prescribed conditions under the Act.

- As per section 115E of the Act, long term capital gains arising to non-resident Indian from transfer of shares in an Indian company which the shareholder has acquired in convertible foreign exchange shall be taxed at the rate of 12.5% plus applicable surcharge and cess (without indexation) for transfer which takes place on or after 23rd July, 2024 subject to fulfilment of prescribed conditions under the Act.

- Dividend income earned by the shareholders would be taxable in their hands and the Company would be required to deduct tax at source on the dividend paid to the shareholders, at applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions. In case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend.

- As per section 115A of the Act, dividend income earned by a non-resident (not being a company) or by a foreign company, shall be taxed at the rate of 20% plus applicable surcharge and cess subject to fulfilment of prescribed conditions under the Act.

- Further, any income by way of capital gains, dividends accruing to non-residents may be subject to withholding tax per the provisions of the Act or under the relevant Double Taxation Avoidance Agreement ('DTAA'), whichever is more beneficial to such non-resident. However, where such non-resident has obtained a lower withholding tax certificate from the tax authorities, the withholding tax rate would be as per the said certificate. The non-resident shareholders can also avail credit of any taxes paid by them, subject to local laws of the country in which such shareholder is resident.

- In respect of non-resident shareholders, the tax rates and the consequent taxation (in relation to capital gains, dividends etc.) shall be further subject to any benefits available under the applicable DTAA, if any, between India and the country of residence of such non-resident.

UNDER THE INDIRECT-TAX REGULATIONS

A. Special tax benefits available to the Company

Company is availing rebate of taxes / duties on inputs under Remission of Duties and Taxes on Exported Products ("RoDTEP") scheme at the applicable rates

B. Special tax benefits available to the Material Subsidiaries and Shareholders of the Company

There are no special tax benefits available to the Material Subsidiaries and Shareholders of the Company under the Indirect Tax Laws.

SECTION V – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

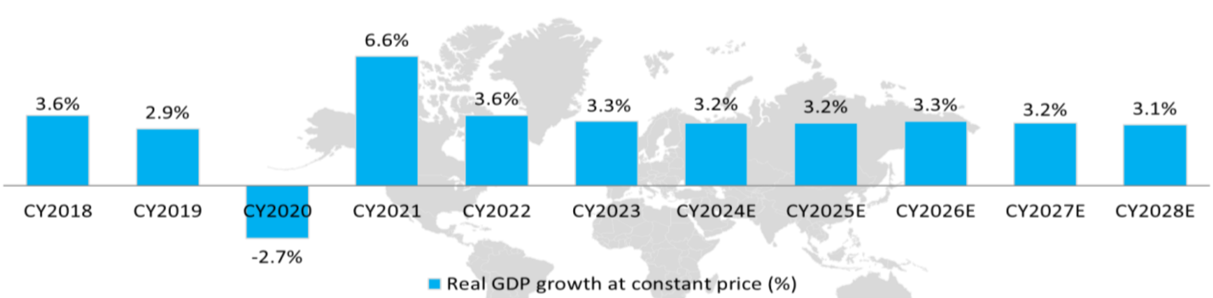
*Unless stated otherwise, industry and market data used in this section has been derived from the report titled "Industry Report on Indian STP, MSW Management, and Biogas Market" dated November 30, 2024 (the "**F&S Report**"), prepared and issued by Frost & Sullivan (India) Private Limited ("**Frost and Sullivan**"), which was exclusively commissioned and paid for by our Company for the Offer, and was prepared and released by Frost and Sullivan, who were appointed by us pursuant to engagement letter dated February 28, 2024. This section discloses the complete F&S Report. The F&S Report forms part of the material contracts and documents for inspection and is accessible on the website of our Company at https://sfcenvironment.com/investors/financial-highlights/industry-report. Frost and Sullivan is not, and has not in the past, been engaged or interested in the formation, or promotion, or management, of our Company. Further, it is an independent agency and neither our Company, nor our Directors, Key Managerial Personnel, Senior Management, Promoters and Subsidiaries, nor the BRLMs and Selling Shareholders are a related party to Frost and Sullivan as per the definition of "related party" under the Companies Act, 2013 and the SEBI Listing Regulations. For details, please see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" beginning on page 24. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this F&S Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. Please also see, "Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by Frost & Sullivan (India) Private Limited ("**F&S**"), exclusively commissioned and paid for by our Company for the purpose of this Offer." on page 68.*

MACROECONOMIC OVERVIEW OF GLOBAL ECONOMY

Real GDP review and outlook

The global economy, which is now on the path to recovery, has faced significant challenges in recent years due to extended trade conflicts, a slowdown in global investments, and the COVID-19 pandemic. Economic activity slowed from CY2018 and entered a recession in CY2020 due to the pandemic, which brought many economies to a near standstill through CY2020 and part of CY2021 as countries imposed strict restrictions. The global economy rebounded in CY2021, showing strong growth, but encountered new challenges in CY2022, including the Russia-Ukraine war, inflation, slowdowns in the US and Europe, and supply chain disruptions. By CY2023, global real GDP growth stabilised at 3.3%, and it is expected to maintain similar pace over the next three years before slowing to 3.1% in CY2028E. However, this outlook is subject to risks from higher interest rates implemented by central banks to control inflation and reduced government spending due to accumulated debt.

Exhibit 1.1: Real GDP Growth – Historic and Forecast, World, CY2018 – CY2028E



Source: IMF October 2024 forecast, Frost & Sullivan analysis

Exhibit 1.2: Real GDP Growth by Select Regions & Countries – Historic and Forecast, World, CY2018 – CY2028E

Country / Region	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023	CY2024E	CY2025E	CY2026E	CY2027E	CY2028E
World	**3.6%**	**2.9%**	**-2.7%**	**6.6%**	**3.6%**	**3.3%**	**3.2%**	**3.2%**	**3.3%**	**3.2%**	**3.1%**
United States	3.0%	2.6%	-2.2%	6.1%	2.5%	2.9%	2.8%	2.2%	2.0%	2.1%	2.1%
China	6.7%	6.0%	2.2%	8.4%	3.0%	5.2%	4.8%	4.5%	4.1%	3.6%	3.4%
India	**6.5%**	**3.9%**	**-5.8%**	**9.7%**	**7.0%**	**8.2%**	**7.0%**	**6.5%**	**6.5%**	**6.5%**	**6.5%**
North America	2.8%	2.2%	-3.0%	6.0%	2.7%	2.8%	2.5%	2.1%	2.0%	2.1%	2.1%
Europe	2.3%	2.0%	-5.4%	6.4%	2.4%	1.2%	1.6%	1.6%	1.7%	1.6%	1.6%
Asia and Pacific	5.3%	4.2%	-0.8%	7.1%	4.1%	4.9%	4.5%	4.4%	4.3%	4.1%	4.0%
Middle East and Central Asia	2.7%	1.9%	-2.2%	4.4%	5.5%	2.1%	2.4%	3.9%	4.2%	3.9%	3.8%
Africa	3.4%	3.1%	-1.4%	4.7%	4.3%	3.3%	3.0%	4.2%	4.4%	4.3%	4.4%
Latin America and Caribbean	1.1%	0.2%	-6.9%	7.4%	4.2%	2.2%	2.1%	2.5%	2.7%	2.8%	2.7%

Source: IMF October 2024 forecast, Frost & Sullivan analysis

Inflation

Global inflation eased from 8.6% in CY2022 to 6.7% in CY2023 and is expected to decline further to 5.8% in CY2024, driven by tighter monetary policies and lower international commodity prices. However, core inflation is expected to decline more slowly, likely delaying a return to target levels until CY2025. With disinflation and steady growth, the risk of a significant economic slowdown has diminished, and global growth risks are balanced. Faster disinflation could ease financial conditions, while stronger structural reforms could boost productivity. However, potential risks include new commodity price spikes from geopolitical shocks, persistent inflation, property sector issues in China, and disruptive fiscal policies that could hinder growth.

Exhibit 1.3: Inflation Rate – Historic and Forecast, World, CY2018 – CY2028E

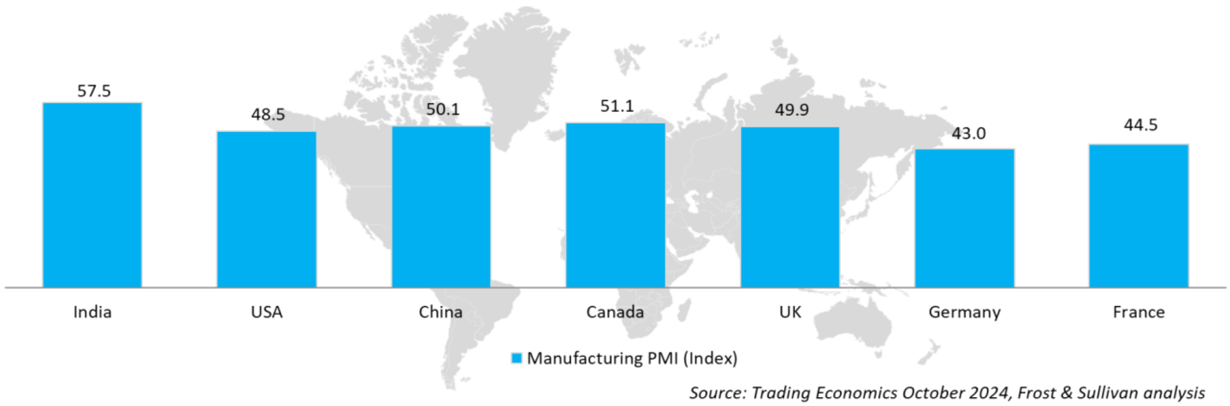
Country / Region	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023	CY2024E	CY2025E	CY2026E	CY2027E	CY2028E
World	**3.6%**	**3.5%**	**3.3%**	**4.7%**	**8.6%**	**6.7%**	**5.8%**	**4.3%**	**3.6%**	**3.4%**	**3.3%**
United States	2.4%	1.8%	1.2%	4.7%	8.0%	4.1%	3.0%	1.9%	2.1%	2.1%	2.1%
China	2.1%	2.9%	2.5%	0.9%	2.0%	0.2%	0.4%	1.7%	2.0%	2.0%	2.0%
India	**3.4%**	**4.8%**	**6.2%**	**5.5%**	**6.7%**	**5.4%**	**4.4%**	**4.1%**	**4.1%**	**4.0%**	**4.0%**
North America	2.7%	2.0%	1.4%	4.7%	7.9%	4.2%	3.1%	2.0%	2.1%	2.2%	2.2%
Europe	2.2%	2.0%	1.2%	3.6%	10.0%	6.3%	3.5%	3.0%	2.5%	2.4%	2.4%
Asia and Pacific	3.1%	3.4%	3.2%	3.0%	6.3%	4.9%	4.4%	3.8%	3.4%	3.2%	3.2%
Middle East & Central Asia	9.6%	7.4%	10.3%	11.9%	13.4%	15.6%	14.6%	10.7%	8.5%	7.3%	6.6%
Africa	11.4%	9.4%	11.1%	12.3%	14.2%	18.2%	20.3%	13.9%	9.2%	8.0%	6.9%
Latin America and Caribbean	6.7%	7.6%	6.5%	9.9%	14.2%	14.8%	16.8%	8.5%	5.7%	4.4%	3.7%

Source: IMF October 2024 forecast, Frost & Sullivan analysis

Manufacturing Purchasing Managers Index (PMI)

India led with its PMI of 57.5, while the U.S. PMI fell from 51.9 to 48.5. However, Europe struggled with supply chain issues due to the Red Sea conflict. Despite challenges like rapid monetary tightening, banking stress, and ongoing conflicts, the global economy demonstrated resilience in CY2024, bolstered by strong labor markets, healthier balance sheets, and declining inflation. These positive trends are expected to support a 3.1% CAGR in global economic growth over the next five years.

Exhibit 1.4: Manufacturing PMI, Select Countries, October 2024



Growth drivers impacting the growth of the global economy

Circular Economy: Shifting from the "take-make-dispose" model, the circular economy extends product lifespans, reuses materials, and closes resource loops, driving innovation and reducing reliance on virgin resources.

Democratization of Financial Services: Fintech is transforming access to financial services, promoting inclusion through mobile money and online lending platforms, which empower startups and small businesses.

Silver Economy Boom: The aging global population is fueling demand for products and services tailored to older adults, offering significant growth opportunities in healthcare, senior living, and leisure.

Bio Revolution: Advances in biotechnology are spurring innovation in precision medicine, biofuels, and biomaterials, with significant economic potential dependent on R&D and ethical considerations.

MACROECONOMIC OVERVIEW OF INDIAN ECONOMY

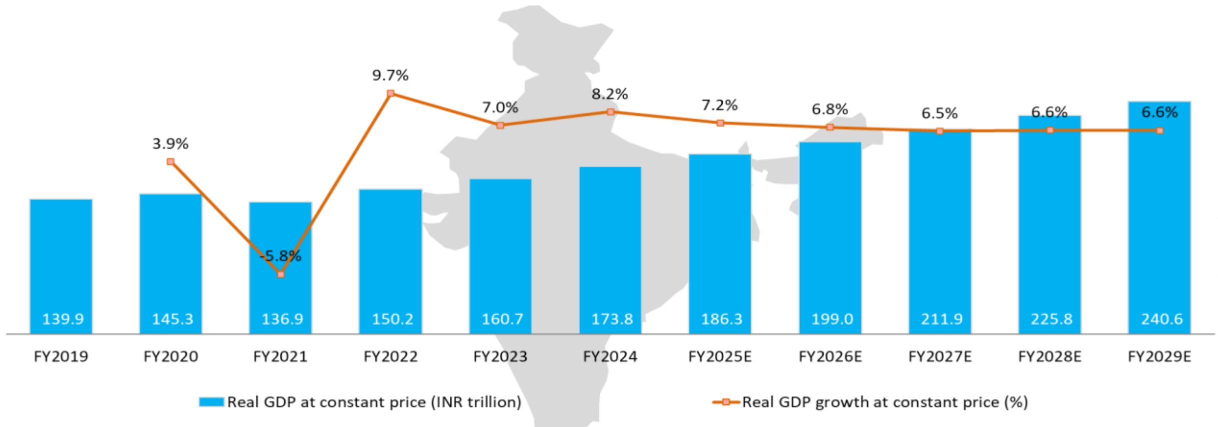
Indian Macro-economic overview

The Indian economy has demonstrated strong performance, achieving 7.0% growth in FY2023, outperforming many major economies. The government is driving structural reforms to position India as a global manufacturing hub, with a proposed capex outlay of INR 11.11 trillion for FY2025, a 17% year-on-year increase. Key development priorities, termed "Saptarishi," focus on inclusive growth, infrastructure, economic potential, sustainable development, youth empowerment, and financial sector strength. Initially aiming to become a USD 5 trillion economy by FY2025, India's timeline was extended due to COVID-19. The Nominal GDP is expected to surpass USD 4 trillion by FY2025 and reach USD 5 trillion by 2027-2028, making India the third-largest economy globally.

Review and outlook of Real GDP growth in India

The Indian government launched a comprehensive strategy to revive the economy post-COVID-19, combining immediate relief with long-term growth initiatives. Stimulus packages provided crucial financial support to vulnerable groups and businesses. Infrastructure projects like the PM Gati Shakti National Master Plan aimed to create jobs and enhance logistics. Reforms in agriculture, labor, and other sectors were introduced to boost efficiency and unlock economic potential. The government's focus on green growth and youth empowerment reflects its commitment to a sustainable, future-proof economy. These efforts, alongside stable domestic demand and private investments are expected to drive a 7.0% CAGR between FY2025E and FY2028E.

Exhibit 2.1: Annual Real GDP and growth, value in INR trillion, India, FY2018 - FY2029E

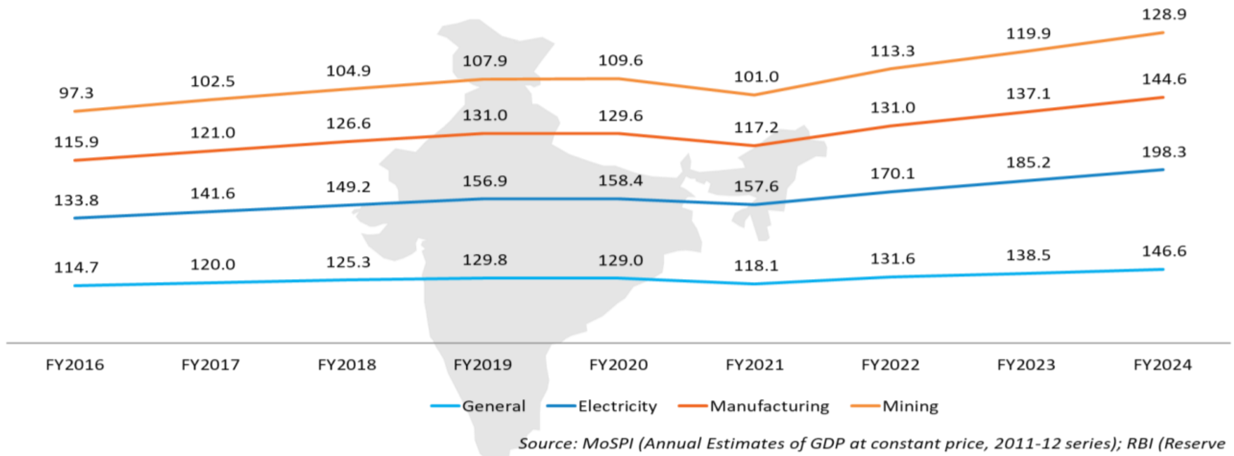


Source: MoSPI (Annual Estimates of GDP at constant price, 2011-12 series), IMF, ADB, S&P, Frost & Sullivan Analysis

Index of Industrial Production (IIP)

Post-pandemic, since June 2021, industrial activity in the country started picking up and continued its momentum through FY2022 – FY2024 with industrial output recording a sharp growth across all the four constituent sectors in the last three consecutive years. FY2024 IIP provisional data indicates 5.8% cumulative growth in FY2024 and 5.5% growth for the manufacturing sector. The other three segments i.e., Mining, Electricity, and General have grown by 7.5%, 7.1%, and 5.8% respectively in FY2024.

Exhibit 2.3: India - Index of Industrial Production (IIP) by sectors, FY2016 - FY2024

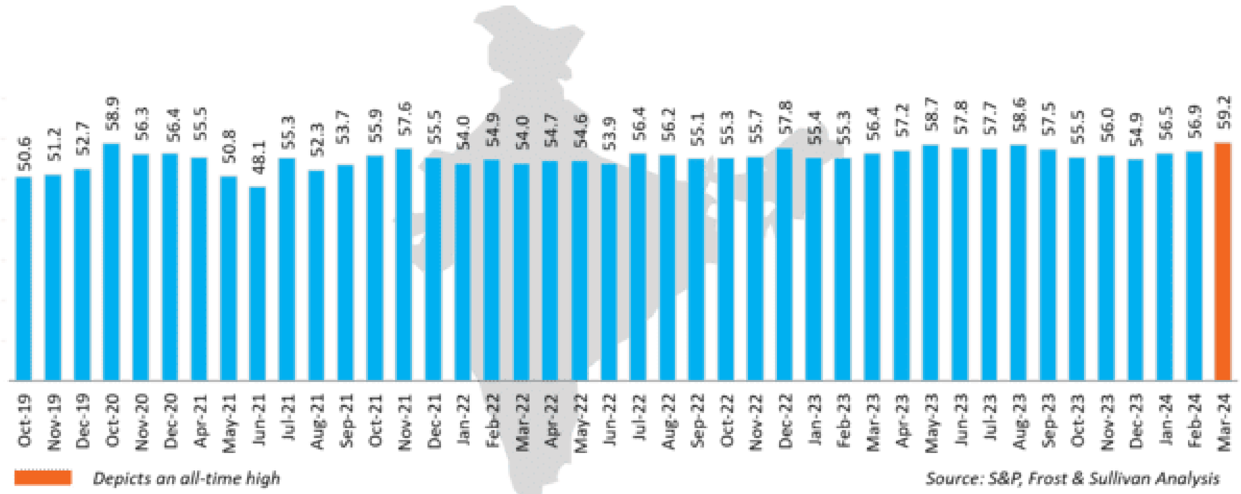


Source: MoSPI (Annual Estimates of GDP at constant price, 2011-12 series); RBI (Reserve Bank of India); Frost & Sullivan Analysis

India manufacturing PMI (Purchase Managers Index)

The S&P Global India Manufacturing Purchasing Managers' Index (PMI) assesses the manufacturing sector's performance, based on a survey of 500 companies. It uses five weighted indexes: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%), and Stock of Items Purchased (10%), with Delivery Times inverted for comparability. A PMI reading above 50 signals expansion, below 50 indicates contraction, and 50 shows no change.

Exhibit 2.4: Indian manufacturing PMI, October 2019 – March 2024

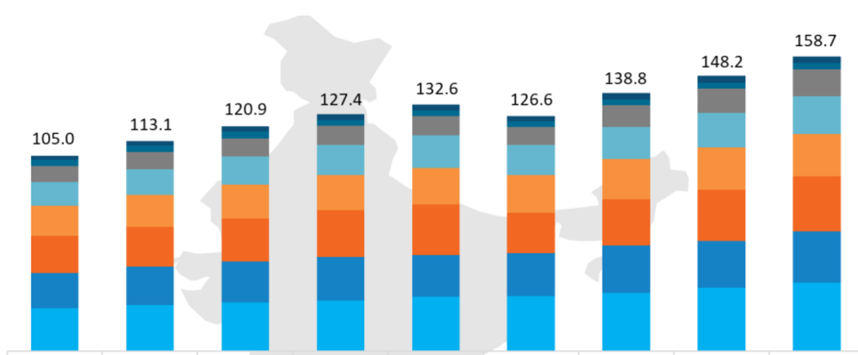


After a volatile period, due to COVID-19, the PMI began to recover in April 2021 (55.5), though it briefly dropped to 50.8 in May 2021. The PMI reached a peak of 58.7 in May 2023, reflecting strong demand, with output and new orders surging. However, it fell to an 18-month low of 54.9 in December 2023 due to weaker demand and lower output, before rebounding to 59.2 in March 2024.

Sectoral share of Gross Value Added (GVA)

The Gross Value Added of India has grown steadily since suffering a decline of 4.5% in FY2021. The country's GVA has grown by 9.0% and 7.0% respectively in FY2022 and FY2023 and as per the second advance estimate, it is poised to grow at 7.3% in FY2024. Among the sectors, Construction GVA has achieved the highest growth of 8.8% CAGR since FY2020 (Pre covid level) while Financial, real estate and professional Services GVA have grown at approximately 6.0% CAGR during this period

Exhibit 2.5: India - Gross value added (GVA) at basic price by economic activity, INR trillion, FY2016 - FY2024*

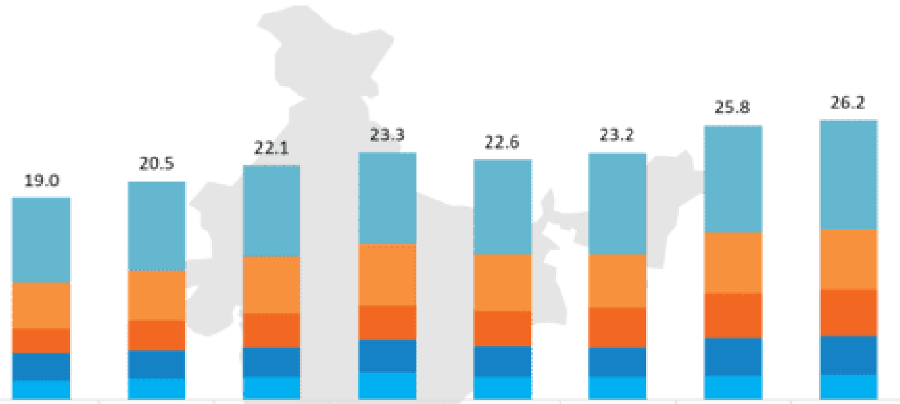


	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024*
Electricity, Gas, Water supply & Other utility	2.2	2.5	2.7	2.9	3.0	2.9	3.2	3.5	3.7
Mining & Quarying	3.3	3.5	3.7	3.3	3.2	2.9	3.1	3.2	3.4
Construction	8.7	9.2	9.6	10.3	10.4	9.6	11.9	13.0	14.4
Public administration, Defence & Other services	12.8	13.9	15.3	16.2	17.6	16.3	17.2	18.8	20.2
Agriculture, Forestry & Fishing	16.2	17.2	18.3	18.9	19.7	20.5	21.7	22.7	23.0
Trade, Hotels, Transport & Communication services	19.9	21.5	23.1	25.4	27.0	21.5	24.8	27.8	29.6
Manufacturing	19.0	20.5	22.1	23.3	22.6	23.2	25.7	25.0	27.5
Financial, Real estate & Professional services	23.0	24.9	26.1	27.2	29.2	29.6	31.2	34.1	36.9

** Second Advance Estimates*

Source: National Statistical Office; Frost & Sullivan Analysis

Exhibit 2.6: India - Sector wise split of GVA for manufacturing, value in INR trillion, FY2016 - FY2023



	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Other manufacturing goods	8.1	8.3	8.6	8.6	8.9	9.5	10.1	10.2
Machinery and Equipments	4.3	4.7	5.3	5.8	5.4	5.1	5.7	5.7
Metal Products	2.3	2.9	3.2	3.3	3.3	3.8	4.2	4.4
Textiles, apparel and leather products	2.6	2.6	2.8	3.0	2.9	2.7	3.5	3.6
Food products, beverages and tobacco	1.8	2.0	2.1	2.6	2.2	2.2	2.3	2.4

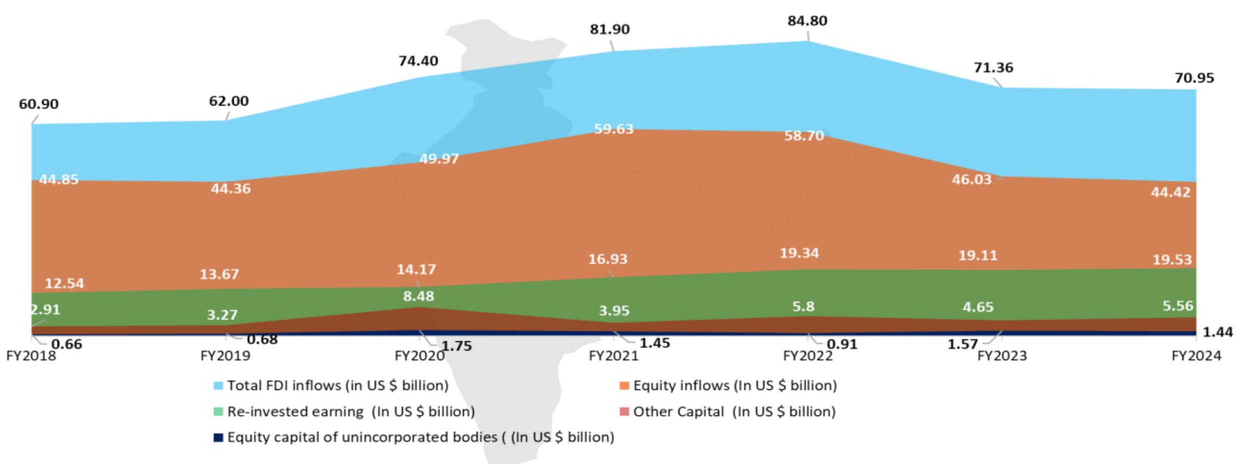
Source: National Statistical Office; Frost & Sullivan Analysis

The manufacturing GVA of the country has been growing at a steady pace and even registered growth in the covid year. The growth was highest in FY2022 at 11.1% but moderated to 2.0% in FY2023 to reach INR 26.2 trillion. As per first advance estimates, the manufacturing GVA is expected to reach INR 27.9 trillion by FY2024 at an annual growth of 6.5%. One of the key reasons for this healthy growth is the government's vision of making India a global manufacturing hub. Indian manufacturing sector's contribution has increased from 16% to 17% buoyed by initiatives like Make in India, Production Linked Incentive (PLI) schemes and sector-specific initiatives that aim to make India a global manufacturing destination.

Foreign Direct Investment (FDI)

Foreign Direct Investment (FDI) in India has significantly increased in the last few years on the backdrop of improved 'Ease of Doing Business' ranking and proactive manufacturing policies from the Indian Government. The country received a record USD 434.9 billion FDI between FY2018 and FY2023.

Exhibit 2.7: FDI inflow in India, in USD billion, FY2018 – FY2024



Source: RBI, Frost & Sullivan Analysis

FDI reached a record USD 84.8 billion in FY2022 – the highest FDI in any fiscal year to date. Even though the FDI declined to USD 71.4 billion in FY2023, it is still at par with the last 6 year's average FDI in the country – India has achieved this feat despite the Indian government's restrictions on FDI from China. In FY2024, India has registered a gross FDI inflow of USD 71.0 billion. Despite high interest rates across the globe, India's FDI inflows remained steady as compared to its peer developing economies, because of the 'demand strength' of the economy.

Per capita income – India vs. leading global economies

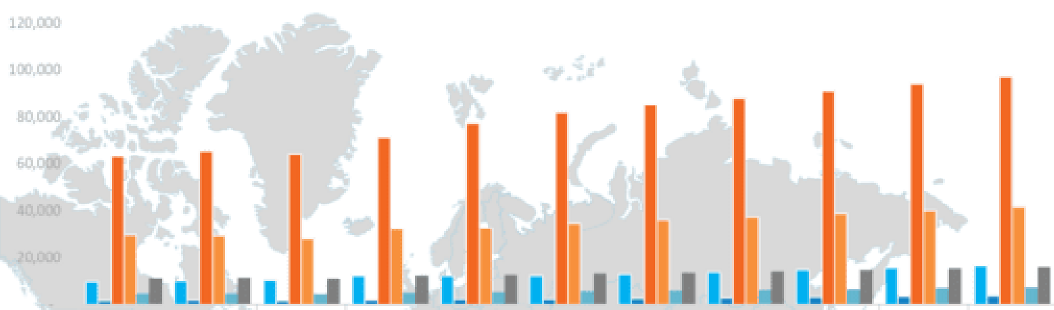
Per capita income is a broad indicator of the prosperity of an economy. Consumer confidence and discretionary consumption both improve with the rising per capita income. India's per capita income in CY2023 was USD 2,500 (at current price) and is considered a lower middle-income country.

For India to become a middle-income country, its per capita income needs to grow by almost 2.3 times to USD 6,100. Even though India's per capita income grew by almost 100% since FY2015, wealth distribution among India's 1.4 billion people remains highly skewed. Equitable access to healthcare, quality education, and jobs would be critical for India to deliver sustained growth in per capita income. Global average per capita income in CY2023 was 5.1 times higher than India at USD 13,359. CY2023 per capita income of USA, Europe, and China was USD 81,632, USD 32,415, and USD 12,514 respectively.

India in the last few years has seen a significant expansion of middle-class households. Robust economic development, growing population, relatively slower aging, and rising income levels coupled with urbanization would result in nearly 400 million additional middle-class and high-income population being added to the country's economy by FY2031 effectively pushing the share of upper middle class and high-income earners to nearly 58% of the population by FY2031 – this in turn would drive the growth in per capita income of the country.

Exhibit 2.8: India vs. Global – Per capita income of India vs leading economies

(USA, China, Europe and Southeast Asia), value in USD, CY2018 - CY2028E



	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023	CY2024E	CY2025E	CY2026E	CY2027E	CY2028E
China, People's Republic of	9,849	10,170	10,525	12,572	12,643	12,514	13,136	14,037	14,929	15,834	16,782
India	1,974	2,050	1,916	2,250	2,366	2,500	2,731	2,984	3,265	3,573	3,911
United States	63,165	65,505	64,367	70,996	77,192	81,632	85,373	87,978	90,903	94,012	97,231
Europe	29,691	29,278	28,313	32,461	32,515	34,663	36,063	37,357	38,738	40,099	41,566
Southeast Asia	4,728	4,957	4,675	5,096	5,441	5,603	5,948	6,343	6,747	7,172	7,623
World	11,472	11,518	11,111	12,527	12,894	13,359	13,836	14,368	14,946	15,533	16,148

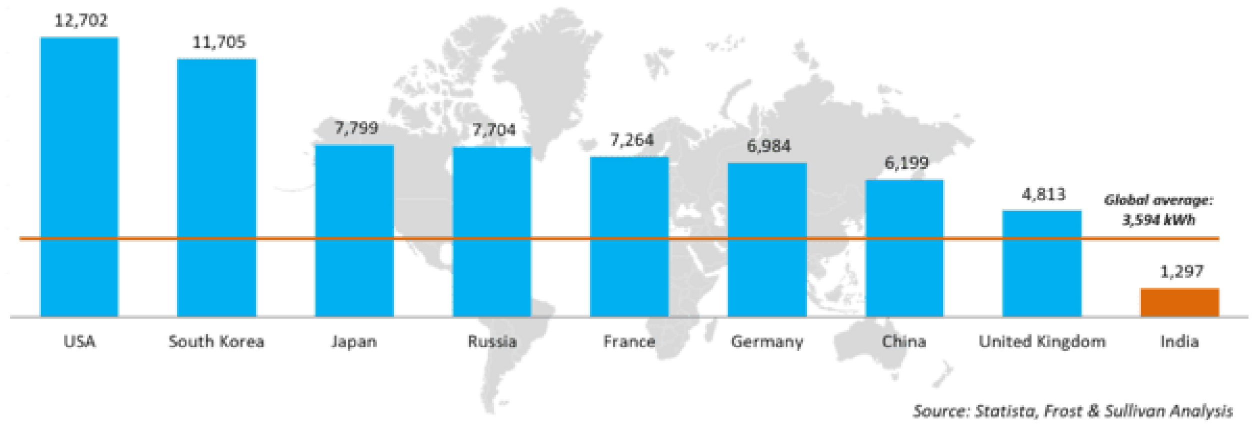
World	India	China	USA	Europe	Southeast Asia (SEA)
CAGR (CY18-23): 3.9%	CAGR (CY18-23): 4.8%	CAGR (CY18-23): 4.9%	CAGR (CY18-23): 5.3%	CAGR (CY18-23): 3.1%	CAGR (CY18-23): 3.5%
CAGR (CY23-28): 3.1%	CAGR (CY23-28): 9.4%	CAGR (CY23-28): 6.0%	CAGR (CY23-28): 3.6%	CAGR (CY23-28): 3.7%	CAGR (CY23-28): 6.3%

Source: IMF, World Economic Outlook; Frost & Sullivan Analysis

Per capita electricity consumption

Power-intensive industries, the purchasing power of the average citizen, household size, and general power efficiency standards all contribute to the amount of electricity that is consumed per person every year. However, a country's size and population can also play an important role.

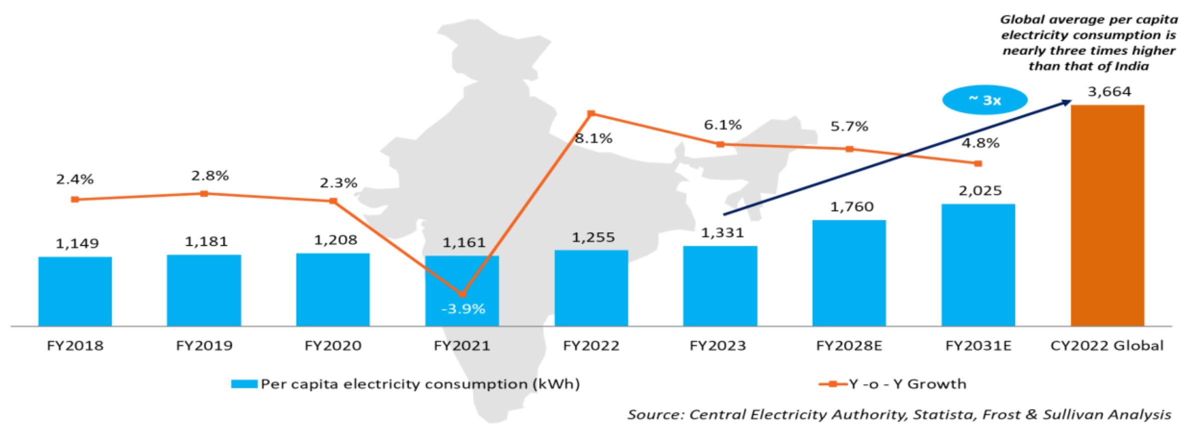
Exhibit 2.9: Per capita electricity consumption of global leading economies vs India, in kWh, CY2022



Source: Statista, Frost & Sullivan Analysis

Among the top 10 global economies, per capita electricity consumption is the highest for the USA whereas, it is the lowest for India – 1,297 kWh, approximately one-third of the global average of 3,664 kWh at the end of CY2022. India's per capita electricity consumption has steadily increased from 1,149 kWh in FY2018 to 1,331 kWh in FY2023. Per capita electricity consumption has grown at a healthy pace of 8.1% and 6.1% in FY2022 and FY2023. The reasons for such an increase include electrification of the villages, heightened economic and manufacturing activities, and increasing penetration of various consumer durables products. Considering a historical average multiplier of 0.8 with the GDP growth, per capital electricity consumption may cross 1,700 kWh by FY2028 and may touch 2,000 kWh by FY2031.

Exhibit 2.10: Per capita electricity consumption of India and growth, in kWh and %, FY2018 – FY2031E



Source: Central Electricity Authority, Statista, Frost & Sullivan Analysis

The government of India launched Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) in December 2014 for the rural areas with the objective of electrification of all un-electrified villages as per Census 2011. Similarly, Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) was launched in October 2017 with the objective to achieve universal household electrification by providing electricity connections to all un-electrified households in rural areas and all poor households in urban areas of the country. For DDUGJY, the total allocation was ₹44,033 crore, with significant progress made in the electrification of villages and households. These programmes have successfully electrified nearly all households across the length and breadth of the country. 100% of urban households and 99.3% of Indian rural households have access to electricity at the end of FY2022 as per a report from the World Bank.

INDIA EMERGING AS A GLOBAL MANUFACTURING HUB

India emerging as a global manufacturing hub

In FY2024, India's merchandise exports reached USD 437 billion, with a goal of USD 1 trillion by 2030. The manufacturing sector, contributing 17% to GDP and employing over 62 million, is targeted to grow to 25% of GDP by CY2025. This includes a substantial allocation for Production-Linked Incentive (PLI) schemes. Government reforms, like GST and corporate tax reductions, have boosted Foreign Direct Investment (FDI), which grew from USD 45.2 billion in FY2015 to USD 70.95 billion in FY2024. Initiatives such as the Phased Manufacturing Programme (PMP) and Project Development Cells (PDCs) are designed to attract global investments and support economic growth.

India's competitiveness among the leading manufacturing economies

India's economic growth is driven by strong domestic consumption and private investment, supported by initiatives like "Make in India" and "Atmanirbhar Bharat." These programmes aim to boost manufacturing in key sectors, reduce import dependence, and drive innovation. With a young, cost-effective workforce and the "Skill India" programme focusing on modern skills, India remains competitive despite rising wages. As global manufacturing shifts, India is poised to capture a larger market share due to its favourable demographics and policies. Southeast and South Asia are emerging as key manufacturing hubs, with India being a strong contender.

Comparison on key economic parameters:

The below exhibit clearly indicates that demographic dividend is a clear advantage that India has over the other leading manufacturing economies. India has one of the largest young workforces with an average Indian being 10 years younger than a Chinese.

Exhibit 3.1: Comparison on key economic parameters – India vs. China, Thailand, Vietnam, and Mexico, CY2023

PARAMETERS		INDIA	CHINA	THAILAND	VIETNAM	MEXICO
Total Population (Million)		1,425.7	1,409.3	71.8	98.9	128.5
Population in age 15-64 years (Million)		924.9	980.4	49.4	68.5	86.6
Median age (Years)		28.2	39.0	40.2	32.8	29.8
Annual GDP (USD Trillion)		3.73	17.70	0.51	0.43	1.81
GDP Growth (%)	CY2023	6.7	5.2	2.7	4.7	3.2
	CY2028E	6.3	3.4	3.0	6.8	2.1
Inflation (%)		5.5	0.7	1.2	3.3	4.7

Source: World Bank (Data Bank), IMF, UN (Population Data), Frost & Sullivan analysis

Labour market comparison

India, with one of the world's largest workforces, ranks second only to China. Each year, millions of young people enter the job market, providing a significant workforce advantage. The Ministry of Skill Development & Entrepreneurship (MSDE), National Skill Development Corporation (NSDC), and Sector Skill Councils (SSCs) are enhancing vocational training to build a skilled, job-ready workforce. India offers competitive labour costs compared to other major manufacturing economies. As manufacturers shift to Vietnam to avoid tariffs, India's lower labour costs and skilled workforce provide a notable advantage.

Exhibit 3.2: Labour market comparison - India vs. China, Thailand, Vietnam, and Mexico, CY2023

PARAMETERS	INDIA	CHINA	THAILAND	VIETNAM	MEXICO
Total Labour Force (Million)	594.0	781.8	40.1	52.4	59.2
Total Labour Force, Female (% of Total population)	26.0	45.2*	46.0	48.5	40.6
Labour force participation rate (% of total population)	49.3	66.9	68.8	68.9	59.9
Employment in Industry (% of Total Employment)	26.0	32.0	22.0	21.4*	25.0
Wage and salaried workers (% of Total Employment)*	24.2	55.3	49.7	45.7	68.1
Real Average Daily Wage	~ 6.03	~36.0	~14.3	~9.7	~16.6

** Data available only until CY2022*

Source: IMF, ILO, Statista, Frost & Sullivan analysis

Comparison of manufacturing ecosystem:

As per the 'Global Manufacturing Risk Index 2022' by Cushman & Wakefield, China remains the most advantageous location for manufacturing among 45 countries across the continents. The rankings in the index are based on parameters such as operating conditions, cost competitiveness, labour cost, and economic and political risks. The government's continual focus on improving manufacturing infrastructure and ease of doing business in the country (India ranked 63rd in CY2022 compared to 142 in CY2014), a growing young and vibrant workforce, and cost competitiveness have helped India to become 2nd most advantageous manufacturing location globally.

Exhibit 3.3: Comparison of manufacturing ecosystem - India vs. China, Thailand, Vietnam, and Mexico, CY2023

PARAMETERS	INDIA	CHINA	THAILAND	VIETNAM	MEXICO
Manufacturing Value Added (% of GDP)	17.0	28.0	27.0	24.8	21.5
Total Export (USD Trillion)	0.32	3.38	0.28*	0.37*	0.58*
Total Imports (USD Trillion)	0.67	2.56	0.28	0.36*	0.60
Manufacturing Risk Index (Rank)	2	1	5	11	12
Global manufacturing output (% share)	3.3%	28.4%	2.5%	2.1%	1.5%
FDI Investments (USD Billion)	70.9	33.0	18.9	36.6	32.9#
Favourable government policies	High	High	High	Medium	Medium
Developed component ecosystem	Medium	High	High	Medium	Medium

** Data available only until CY2022; # Data until Q3 2023*
Import and Export values mentioned are only for commodities and do not include services
Rank 1 indicates the most beneficial locations for global manufacturing

Source: IMF, Statista, Frost & Sullivan analysis

Government policies and schemes driving manufacturing in India

The manufacturing sector of India is going through a major transformation in the last 6-7 years. The Government of India has launched several schemes and initiatives to promote India as a global manufacturing hub. Some of the notable initiatives are:

Exhibit 3.4: Approved financial outlay under Production Linked Incentive (PLI) scheme

Sectors	Implementing Ministry/Department	Approved financial outlay over a five-year period (INR billion)
Large Scale Electronics and IT Hardware	Ministry of Electronics and Information Technology	556.5
Automobiles & Auto Components	Department of Heavy Industries	259.4
High-Efficiency Solar PV Modules	Ministry of New and Renewable Energy	240.0
Pharmaceuticals – KSMs, Dis, and APIs and Bulk Drugs	Department of Pharmaceuticals	219.4
Advance Chemistry Cell Batteries	NITI Aayog and Department of Heavy Industries	181.0
Telecom & Networking Products	Department of Telecom	122.0
Food Processing	Ministry of Food Processing Industries	109.0
Textiles and Apparels	Ministry of Textiles	106.8
Specialty Steel	Ministry of Steel	63.2
White Goods (ACs and LEDs)	Department for Promotion of Industry and Internal Trade	62.4
Medical Devices	Department of Pharmaceuticals	34.2
Drone and Drone Components	Department of Civil Aviation	1.2
	Total	**1,955.1**

Source: Invest India, Frost & Sullivan Analysis

India emerging as the world's technology hub

India is emerging as a major player in global manufacturing technology due to shifting demographics, technological advancements, and a young, skilled workforce. Key strengths include government initiatives like "Make in India," a focus on innovation through startups, and competitive production costs. Indian companies are leading innovations in water and wastewater treatment, solid waste management, and biogas production. Policies such as relaxed FDI norms, Special Economic Zones, and support for startups and R&D are driving growth and attracting foreign investment. India's robust IT infrastructure further supports the integration of advanced manufacturing technologies.

Exhibit 3.5: Development of 11 industrial corridors

Source: Make in India, Frost & Sullivan Analysis

OVERVIEW OF GLOBAL WASTEWATER TREATMENT MARKET

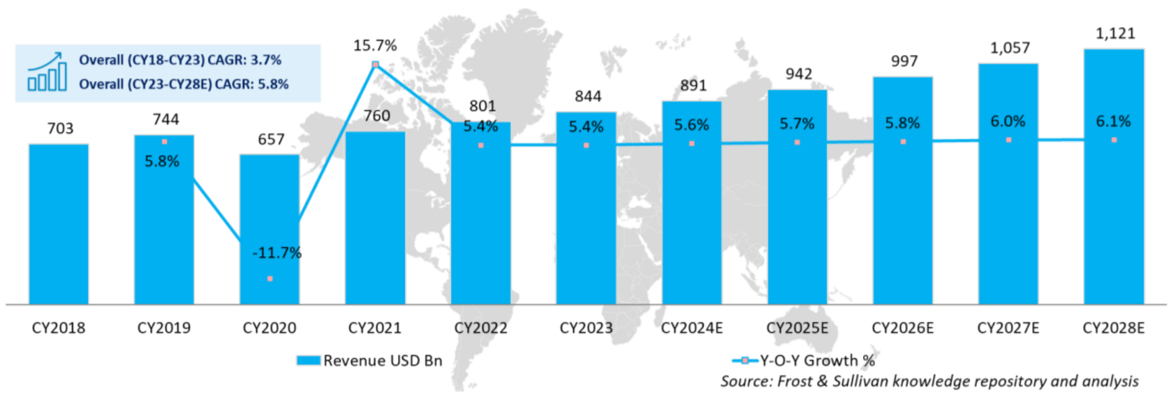
Overview of the Global Wastewater treatment market

The global wastewater treatment market is essential for public health and environmental protection. As populations grow and cities expand, effective wastewater management is increasingly crucial. The COVID-19 pandemic underscored the need for resilient and adaptable water infrastructure. Municipalities and industries are now prioritizing sustainability, with goals for net-zero emissions, decarbonization, and circularity in water usage. Energy optimization is important, but there's also a strong focus on circularity, especially in Southeast Asia (SEA), where nutrient and energy recovery from sludge is gaining traction. Europe and North America are focusing on treating emerging pollutants, while treated wastewater reuse is a major priority across SEA, North America, Latin America, and the Middle East

Size of the global wastewater treatment market

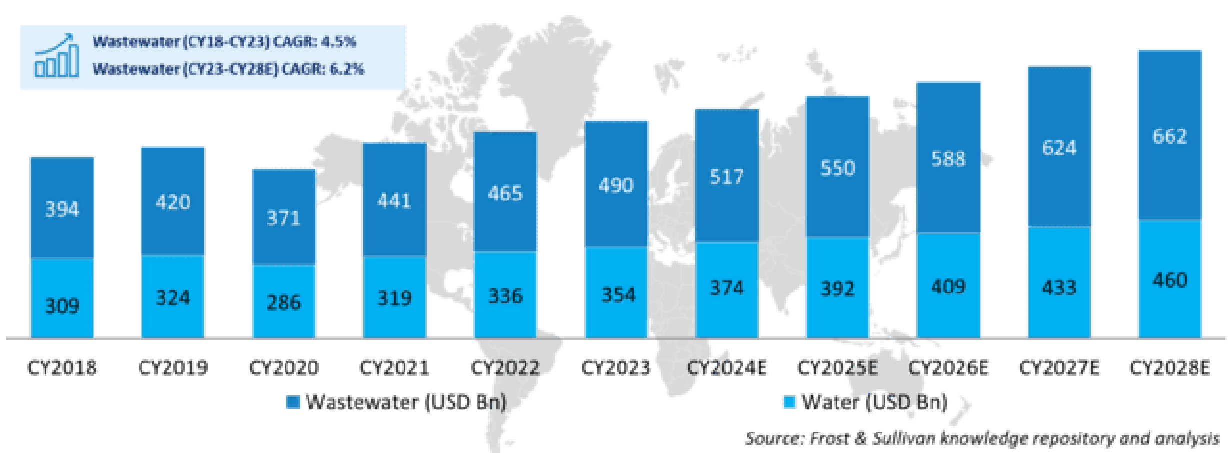
The global water and wastewater treatment market is set to grow from USD 703 billion in CY2018 to USD 1,121 billion by CY2028, with a CAGR of 5.8% from CY2023 to CY2028.

Exhibit 4.1: Global water and wastewater treatment market size, Global, in USD billion, CY2018 – CY2023



Wastewater treatment alone is projected to reach nearly USD 662 billion by CY2028, driven by stricter regulations, increased industrial activity, and the potential for water reuse.

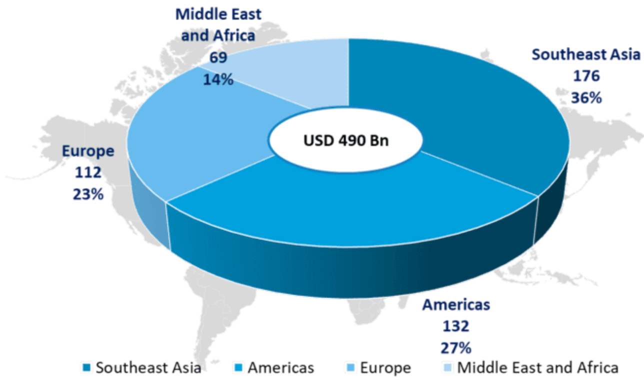
Exhibit 4.2: Global water and wastewater treatment market, Global, in USD billion, CY2018–CY2028E



Global Wastewater treatment market split by region

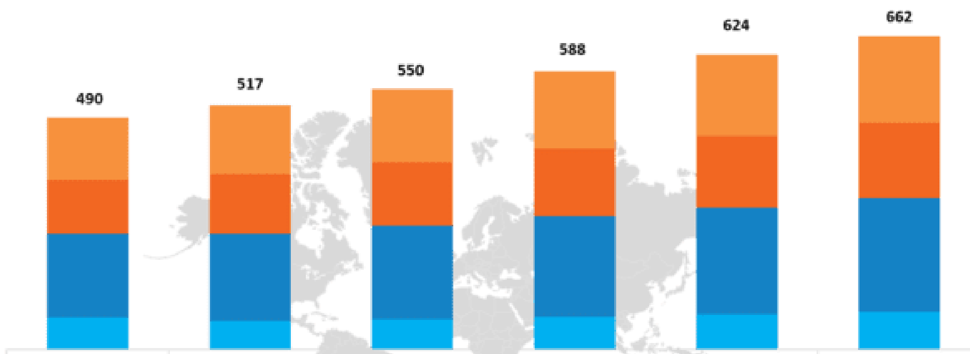
Southeast Asia, leading the wastewater treatment market with 36% of the USD 490 billion market in CY2023, is expected to grow from USD 176 billion in CY2023 to USD 241 billion by 2028, at a CAGR of 6.4%.

Exhibit 4.3: Wastewater treatment market size by region, split by percentage, value in USD Bn, CY2023



Source: Frost & Sullivan knowledge repository and analysis

Exhibit 4.4: Wastewater treatment market forecast, by region, in USD billion, CY2023–CY2028E



	CY2023	CY2024E	CY2025E	CY2026E	CY2027E	CY2028E
Americas	132	145	154	164	173	182
Europe	113	126	134	143	150	159
SEA	176	185	197	212	226	241
MEA	69	61	65	70	74	79

Source: Frost & Sullivan knowledge repository and analysis

This growth is driven by rapid urbanization, increased water quality awareness, water scarcity, and stringent regulations, with key investments in recycling and reuse systems across developing economies like China, India, Vietnam, and Indonesia.

Factors driving the growth of the wastewater treatment market by different regions

Middle East and Africa (MEA): Demand for wastewater treatment in the MEA region is driven by population growth, economic diversification, and a shift from oil reliance. GCC countries focus on sustainability and water reuse, with Saudi Vision 2030 setting ambitious targets. Israel leads in water reuse, while Jordan supports treated wastewater for irrigation.

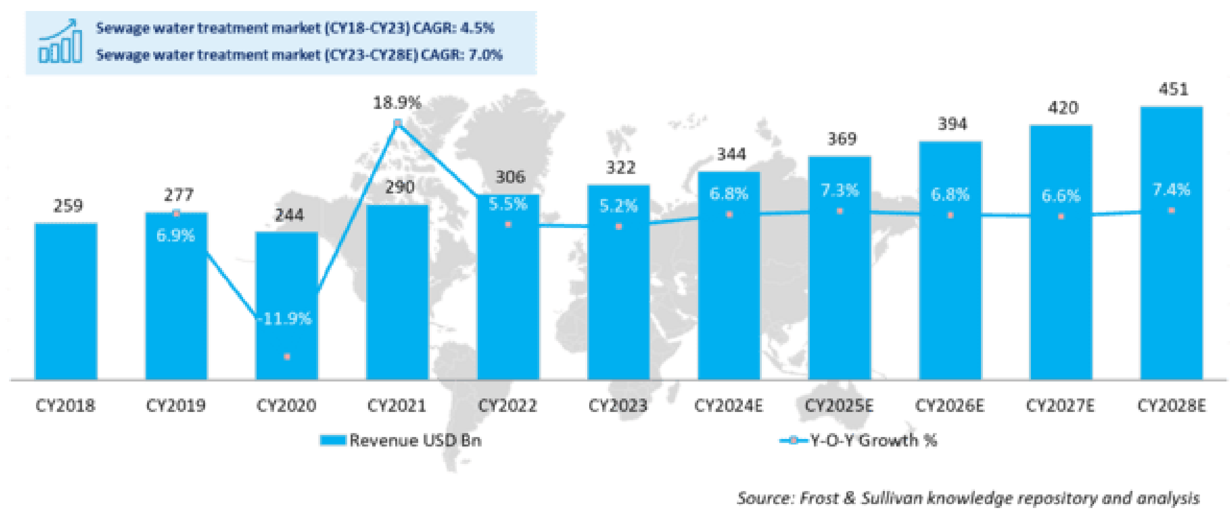
Southeast Asia: Rapid urbanisation, technological advancements, and circular economy principles are expanding the wastewater treatment market. Urban growth and smart sensors, such as those in Singapore's Tuas South Water Reclamation Plant, drive investment. Initiatives like Vietnam's Da Nang Green City project reflect a focus on resource recovery and sustainability.

Europe: European wastewater treatment is shaped by strict regulations and ageing infrastructure. The EU mandates infrastructure upgrades and advanced technologies, with the UK facing a significant investment gap. Countries like the Netherlands invest in technologies for water reuse and nutrient recovery to enhance sustainability.

Overview of the global Sewage treatment market

Sewage treatment is a critical subset of the broader wastewater treatment segment, focusing specifically on the processing and management of wastewater originating from residential, industrial, and commercial sources. The global sewage water treatment market has grown significantly, increasing from USD 259 billion in CY2018 to USD 322 billion in CY2023. This growth is fueled by a shift in perspective, viewing sewage water not just as waste but as a resource. Advanced technologies like nutrient recovery and biosolids conversion are enabling wastewater to be transformed into valuable byproducts, driving investments in innovative treatment solutions.

Exhibit 4.5: Sewage water treatment market, Global, in USD billion, CY2018 – CY2028E



Municipal Segment: Sewage treatment is crucial for municipal systems, managing over 76% of municipal wastewater from households, businesses, and institutions. This segment uses comprehensive treatment stages to ensure public health and hygiene.

Industrial Segment: Industrial sewage treatment accounts for about 24% of the total Industrial wastewater, with high contaminants, often requires extensive pre-treatment before discharge. Many industries use on-site treatment solutions to manage specific wastewater characteristics and reduce environmental impact

Exhibit 4.6: Wastewater treatment market split by end-user segment, Global, CY2023

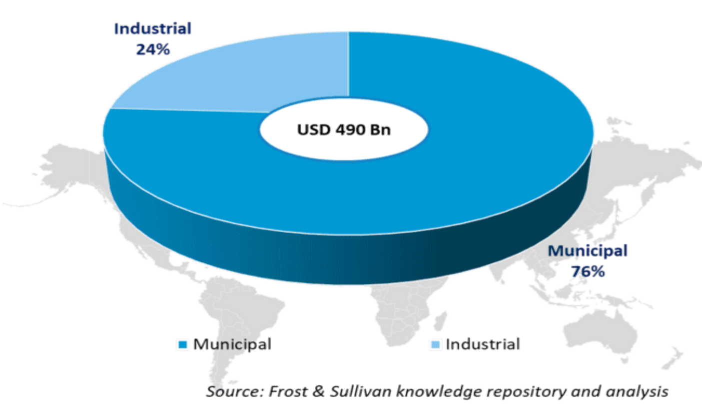
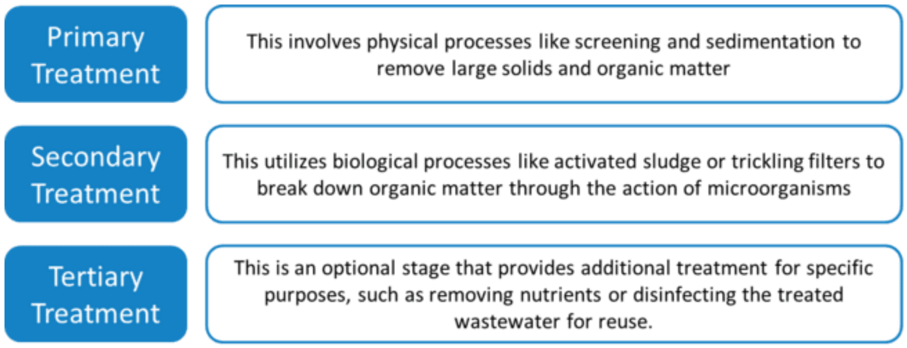


Exhibit 4.7: Primary, secondary, and tertiary sewage treatment



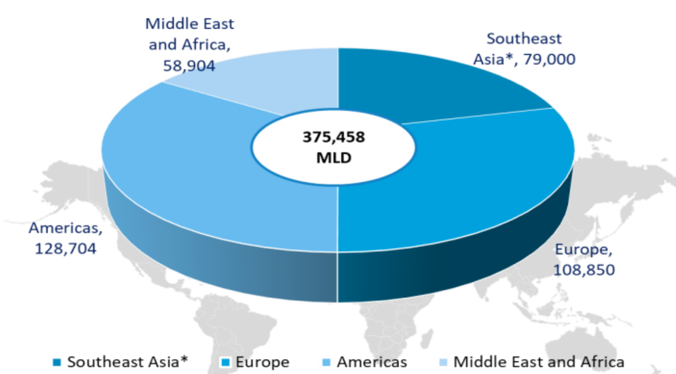
Source: Frost & Sullivan analysis

Global Sewage water treatment market split by regions

Southeast Asia dominates the global sewage treatment market, driven by rapid urbanization and economic expansion. Countries like Indonesia and Vietnam are heavily investing in infrastructure upgrades to address sanitation and flood risks. In CY2023, the region (excluding India) generated approximately 79,000 Million Litres per Day (MLD) of sewage. Europe produced around 108,850 (Million Litres per Day) MLD of sewage.

In 2023, the Americas produced around 128,704 Million Litres per Day (MLD) of sewage. The Middle East and Africa generated about 58,904 MLD of sewage. Southeast Asia generated approximately 79,000 Million Litres per Day (MLD) of sewage. Europe generated about 108,850 MLD of sewage. In the U.S. and Canada, tightening regulations like the Clean Water Act are driving investments in advanced technologies for wastewater treatment. Europe follows stringent EU regulations, prompting infrastructure investments to meet standards. Water scarcity drives growth in the Middle East, where Saudi Arabia's National Program for Wastewater Treatment aims to treat 70% of wastewater by 2030 for reuse.

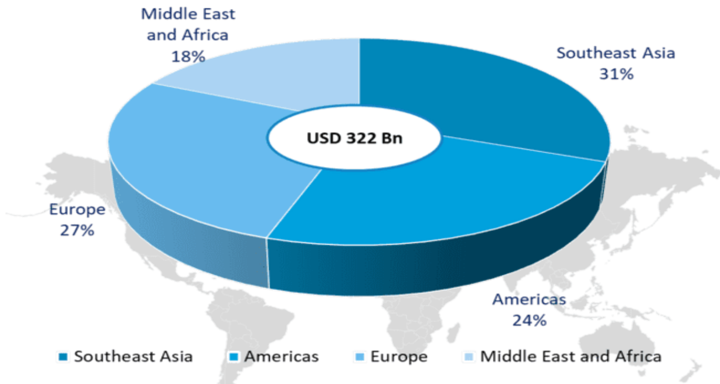
Exhibit 4.8: Sewage generation, in MLD, in countries of interest, CY2023



**Note: Southeast Asia numbers are excluding India*

Source: Frost & Sullivan knowledge repository and analysis

Exhibit 4.9: Sewage water treatment market size by region, split by percentage, CY2023



Source: Frost & Sullivan knowledge repository and analysis

Factors driving the growth of the sewage water treatment market in the region

The global sewage water treatment market is experiencing notable growth driven by regional factors:

Middle East: Water scarcity drives the use of treated sewage for non-potable purposes, such as irrigation, and supports sustainable tourism. For example, Doha uses treated sewage for public parks, and Sharm El Sheikh's plant was upgraded in 2022 to support tourism.

Southeast Asia: Rapid urbanisation strains sewer systems, prompting investments in advanced treatment technologies and infrastructure to meet environmental standards and address public health concerns. Vietnam's Ministry of Health is investing in sewage treatment, and Singapore explores advanced biological treatments.

Africa: Limited sanitation facilities drive investments in sewage treatment to improve public health. International funding supports decentralized systems for rural areas, and capacity building through international guidelines is crucial for effective management.

Prominent technologies deployed for sewage treatment in these regions

Exhibit 4.9: Comparison of sewage water treatment technologies, Southeast Asia (SEA) vs Middle East & Africa (MEA)

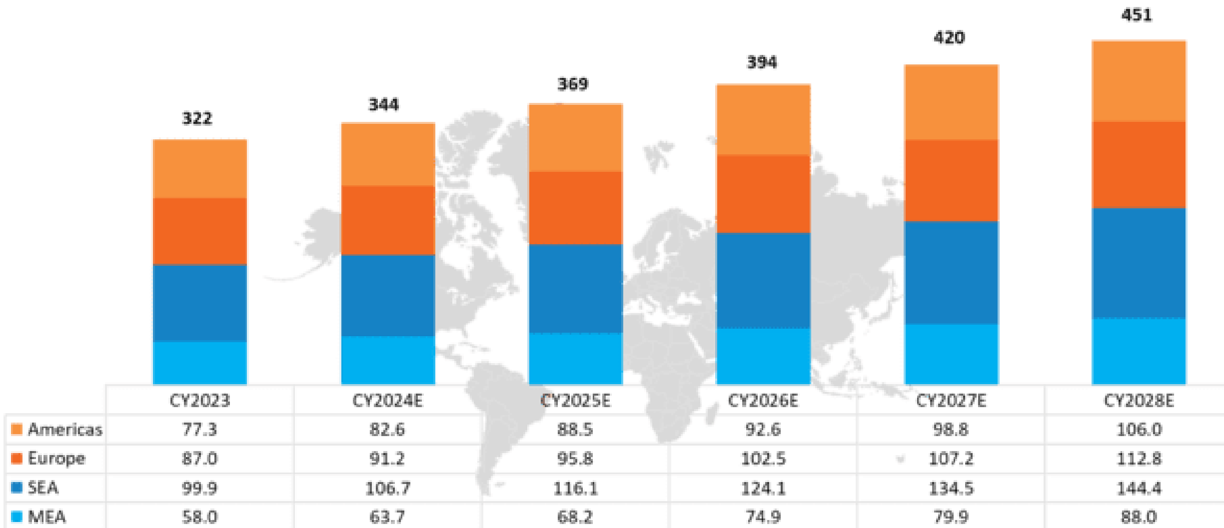
TECHNOLOGY	ADVANTAGES	DISADVANTAGES	SEA (POTENTIAL PREFERENCE)	MEA (POTENTIAL PREFERENCE)
Membrane Bioreactors (MBR)	High-quality water; suitable for reuse and irrigation	High investment and operational cost	Moderate	Low (due to cost)
Advanced Oxidation Process (AOP)	Removes emerging contaminants	High 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 (may not be as cost-effective in all areas)

Upflow Anaerobic Sludge Blanket Reactors (UASB)	High efficiency, compact design	-	Moderate	High (suitable for areas with space limitations)

Growth forecast for the sewage treatment market: Middle East, Southeast Asia, and Africa

The global sewage treatment market is projected to reach USD 451 billion by CY2028E, growing at a CAGR of 7.0%.

Exhibit 4.10: Sewage water treatment market forecast by region, in USD billion, CY2023 –2028E



Source: Primary interactions, Frost & Sullivan knowledge repository and analysis

Southeast Asia, holding a 31% market share in CY2023, will see strong growth at a CAGR of 7.7% due to rapid urbanisation and infrastructure needs. Europe and the Americas, with established infrastructure and strict regulations, will experience slower but steady growth driven by technological advancements and infrastructure upgrades.

Notable list of upcoming sewage treatment projects

Exhibit 4.11 provides a snapshot of various water infrastructure projects currently underway around the world. It encompasses a range of facilities including sewage treatment plants that are geographically spread across the Middle East, Southeast Asia, Africa, and Europe.

Exhibit 4.11: List of upcoming sewage water treatment projects

REGION	PROJECT NAME	LOCATION	INVESTMENT	CAPACITY (MLD)	TECHNOLOGY
Middle East	Jebel Ali Sewage Treatment Plant Phase 2	Dubai, UAE	NA	1,050/day	Activated sludge reactors
Middle East	SWPC – Tabuk Independent Sewage Treatment Plant Phase II	Tabuk, Saudi Arabia	145.8 Million USD	90/day	SBR (Sequencing Batch Reactor)
Middle East	RAK Wastewater Treatment Plant	Moulay Bousselham, Morocco	NA	NA	Closed low pressure ultraviolet disinfection.
Africa	MHHUD Wastewater Treatment Plant	Maghagha, Egypt	19.4 million USD	30 - 60/day	Sedimentation, biological and filtration

REGION	PROJECT NAME	LOCATION	INVESTMENT	CAPACITY (MLD)	TECHNOLOGY
Southeast Asia	Nhieu Loc Thi Nghe Wastewater Treatment Plant	Vietnam	NA	816/day	Moving Bed Biofilm Reactor (MBBR)
Europe	Vappa Sewage Treatment Plant	Enkoping, Uppsala, Sweden	NA	NA	NA

OPPORTUNITY LANDSCAPE OF INDIA'S SEWAGE TREATMENT MARKET

Overview of Indian Wastewater Treatment Market

India's wastewater treatment market is growing due to opportunities in the industrial and municipal sectors. Market growth is driven by high industrial activity, economic expansion, and groundwater depletion, creating demand for effective wastewater management solutions. Urban expansion and industrial growth, coupled with the government's commitment to sustainability and financial incentives, indicate a favourable environment for innovative technologies. The focus is shifting from price to value, with increased private participation leading to more Build, Own, Operate, and Transfer (BOOT) projects, typically lasting 15 to 30 years. These projects emphasise value and performance over cost. Public-private partnerships (PPPs) in the municipal sector benefit private companies with business opportunities and municipalities with improved efficiency and shared responsibility. Existing infrastructure across many Indian cities requires modernization to meet current environmental and operational standards.

The wastewater treatment industry has maintained a 5.5% CAGR over the past five years and is projected to accelerate to 9.6% growth in the next five years. In general, for an STP with a capacity between 20 MLD and 100 MLD, the total estimated STP capital cost can range from INR 300 million to INR 1000 million based on various factors. In terms of cost breakdown, the C-Tech package accounts for 10% to 15% of total STP Capital cost. Disc filters and blowers are estimated to contribute approximately 5% to 8% each to the total STP capital cost. The remaining portion of the STP capital cost goes towards civil works, other electromechanical and instrumentation work, piping and other miscellaneous works as per the project requirement.

Exhibit 5.1(a): Water and wastewater treatment market size, in INR billion, India, FY2018 – FY2029E

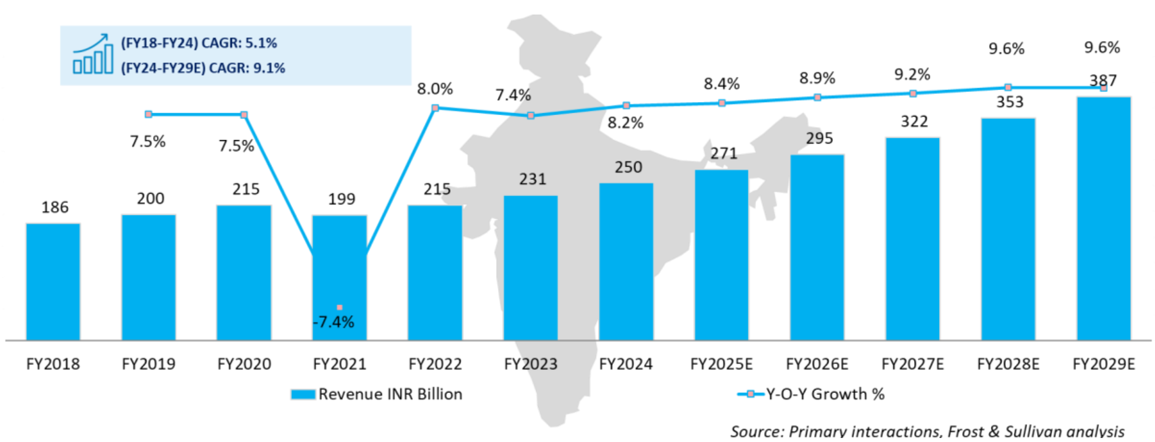
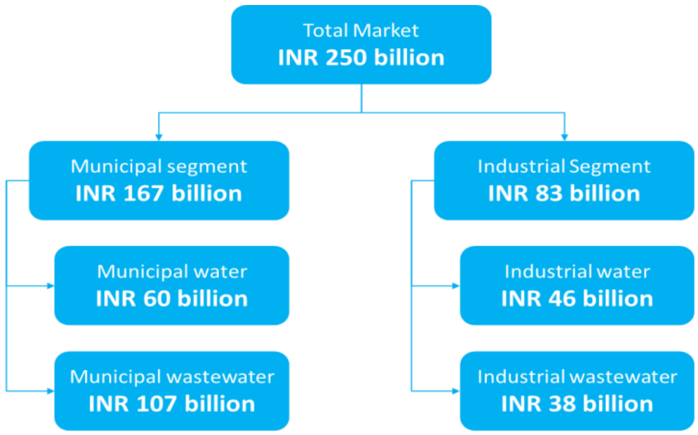
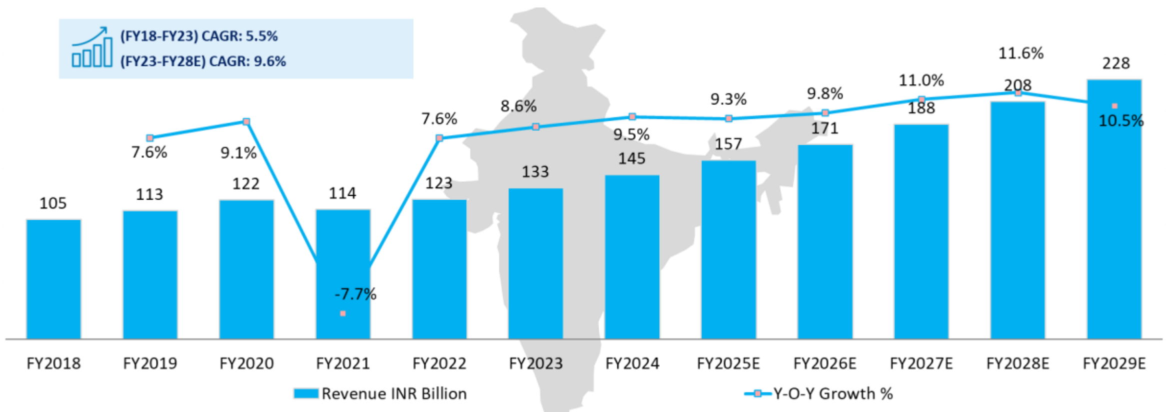


Exhibit 5.1(b): Water and wastewater treatment market size and segmentation, India, FY2024



Source: Primary interactions, Frost & Sullivan analysis

Exhibit 5.1(c): Wastewater treatment market size, India, FY2018 – FY2029E



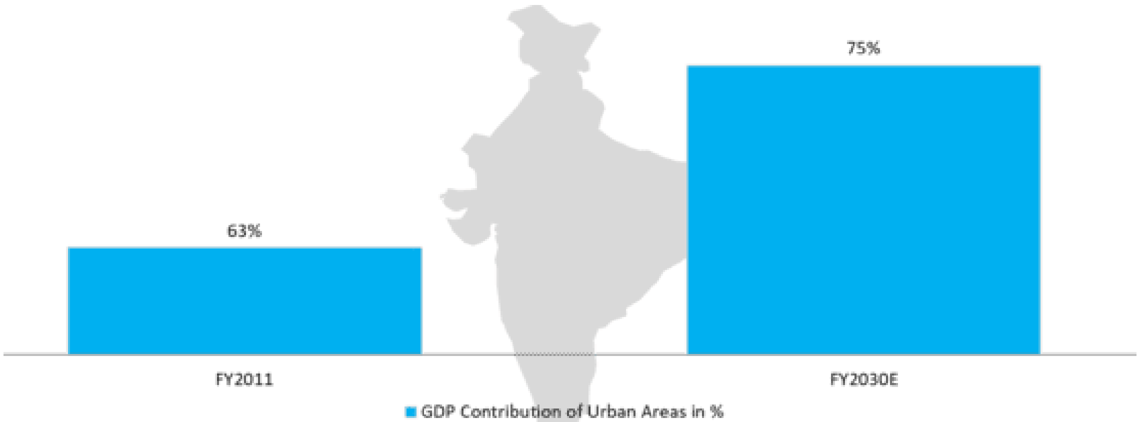
Source: Primary interactions, Frost & Sullivan analysis

Factors and rules driving the Indian wastewater treatment market

Rising population and per capita consumption:

Urban India faces challenges in providing water and sanitation due to population growth and changing consumption patterns. Rising disposable incomes and urbanisation lead to more water-intensive lifestyles, increasing water use for activities like gardening and using appliances.

Exhibit 5.2: GDP contributions of urban areas, India, FY2011 and FY2030E



Source: Census 2011, Ministry of Urban Development's Smart Cities Mission Statement & Guidelines

Groundwater levels have declined in many urban areas due to uneven rainfall and overexploitation. The Central Ground Water Board (CGWB) reports a 0 to 2-metre decline in 33% of groundwater tables since 2010, with cities such as Delhi and Chennai experiencing declines exceeding 4 metres. Coastal cities like Chennai have adopted seawater RO desalination to address shortages. These factors result in increased wastewater volumes needing treatment

Leachate Treatment for municipal solid waste landfill management:

India's reliance on overflowing landfills and inadequate leachate management highlights a significant opportunity for advancements in wastewater treatment. Over 3,000 landfills lack proper leachate management systems, causing environmental damage. Although stringent regulations are in place, lax enforcement results in minimal compliance. However, anticipated stricter regulation enforcement, driven by a focus on sustainability and UN SDGs, is expected to boost the demand for effective leachate treatment technologies. Major urban centres in India will see increased demand for such solutions, presenting opportunities for companies with innovative leachate treatment technologies.

Exhibit 5.3: Disposal of treated leachate in India

	STANDARDS (MODE OF DISPOSAL)		
PARAMETER	INLAND SURFACE WATER	PUBLIC SEWERS	LAND DISPOSAL
Suspended solids, mg/l, max	100	600	200
Dissolved solids (inorganic) mg/l, max	2,100	2,100	2,100
pH value	5.5 – 9.0	5.5 – 9.0	5.5 – 9.0
Ammonical nitrogen (as N), mg/l, max.	50	50	-
Total Kjeldahl nitrogen (as N), mg/l, max	100	-	-
Biochemical oxygen demand (3 days at 270 C) max.(mg/l)	30	350	100
Chemical oxygen demand, mg/l, max.	250	-	-
Arsenic (as As), mg/l, max	0.2	0.2	0.2
Mercury (as Hg), mg/l, max	0.01	0.01	-
Lead (as Pb), mg/l, max	0.1	1.0	-
Cadmium (as Cd), mg/l, max	2.0	1.0	-
Total Chromium (as Cr), mg/l, max.	2.0	2.0	-
Copper (as Cu), mg/l, max.	3.0	3.0	-

Zinc (as Zn), mg/l, max.	5.0	15	-
Nickel (as Ni), mg/l, max	3.0	3.0	-
Cyanide (as CN), mg/l, max.	0.2	2.0	0.2
Chloride (as Cl), mg/l, max.	1000	1000	600
Fluoride (as F), mg/l, max	2.0	1.5	-
Phenolic compounds (as C6H5OH) mg/l, max.	1.0	5.0	-

Decentralized solutions

India faces a hidden water crisis due to ageing or inadequate sewage systems in many urban areas, particularly smaller towns and peri-urban fringes. This leads to untreated wastewater contaminating groundwater and posing health risks. The demand for decentralized wastewater treatment solutions is rising as these compact, on-site systems can treat wastewater at the source, easing the burden on centralised infrastructure and enabling local reuse for irrigation or sanitation.

Growing water scarcity and need for reuse

The pressing issue of water scarcity amplifies the urgency for effective water management practices, driving investment in innovative treatment technologies. Water scarcity is a growing threat across the globe, with burgeoning populations and climate change putting immense strain on freshwater resources. India's water future is poised for positive change, driven by a growing emphasis on wastewater treatment and reuse. By treating wastewater to appropriate standards, it can be used for non-potable purposes like irrigation or industrial processes, essentially creating a new and reliable water source. The National Water Policy (2012) reinforces this approach by mandating effective wastewater treatment and promoting its reuse. Policy support, financial incentives, and a commitment to sustainability are advancing the role of treated wastewater in addressing India's water needs.

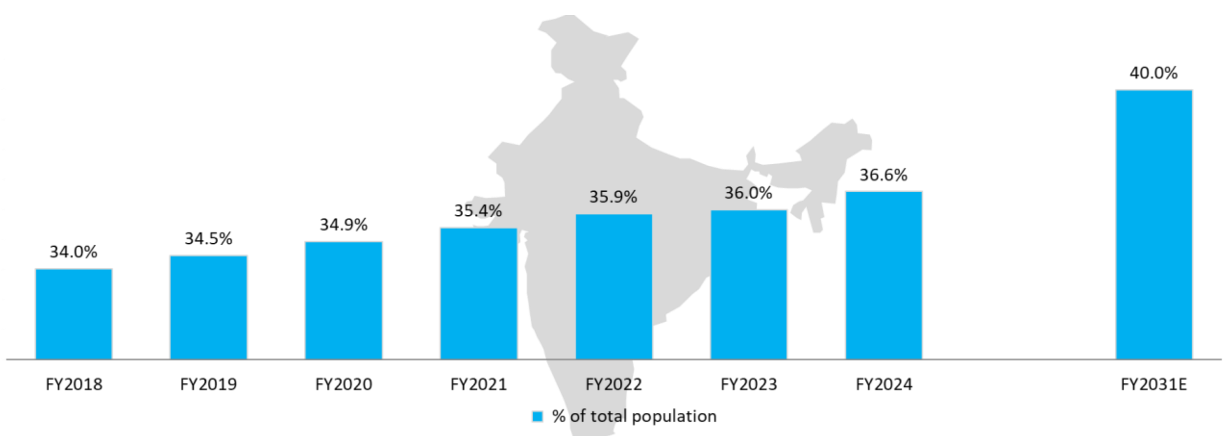
Urbanization and Industrial growth

Rapid urbanization leads to increased wastewater generation due to denser populations and greater infrastructure development. Industries are another major source of wastewater, particularly water-intensive sectors like textiles and pharmaceuticals. Regulatory Framework is as follows:

Town and Country Planning Acts of various states: Often mandate provisions for wastewater treatment infrastructure in urban development plans.

Industry-specific regulations: Certain industries, like textiles and pharmaceuticals, have specific regulations governing wastewater treatment and disposal within their respective environmental acts.

Exhibit 5.4: Urbanization rate in India, in percentage, FY2018 – FY2031E



Source: Trade Economics, World Bank, Primary interactions, Frost & Sullivan analysis

Government initiatives and funding

The Indian government recognizes the importance of wastewater treatment and has launched several initiatives to accelerate infrastructure development. Key Programs are:

Atal Mission for Rejuvenation and Urban Transformation (AMRUT): Provides funds for urban infrastructure, including wastewater treatment plants. This funding has improved wastewater management in Indian cities, enhancing treatment capacity, reducing untreated wastewater discharge, and improving public health by decreasing waterborne diseases.

National Mission for Clean Ganga (NMCG): Invests in wastewater treatment projects along the Ganges River to clean the river. NMCG has constructed numerous sewage treatment plants (STPs) and improved sanitation infrastructure, leading to improved water quality in the Ganges.

Jal Jeevan Mission (JJM): Aims to provide piped drinking water to rural households and requires investments in wastewater treatment to prevent contamination. JJM's focus on piped water reduces open defecation, decreasing raw sewage contamination. It also promotes decentralized wastewater treatment through greywater management plans in villages with piped water.

The growing emphasis on wastewater treatment and reuse could also create opportunities for vertically integrated players like SFC Environmental Technologies, which can provide a comprehensive range of services from treatment to reuse management.

Technological advancements and efficiency:

The Indian wastewater treatment market is witnessing a wave of tech-driven innovation. Start-ups and established companies are developing cost-effective and efficient treatment solutions tailored to India's specific needs. These innovations include:

Modular Treatment Plants: These prefabricated units offer a faster and more cost-effective solution for setting up wastewater treatment facilities, particularly in smaller communities.

Internet of Things (IoT) Integration: Integrating sensors and real-time monitoring systems allows for remote monitoring and optimization of wastewater treatment processes, leading to improved efficiency and reduced operational costs.

Low-Energy Treatment Technologies: With rising energy costs, developing treatment technologies that require less energy consumption is crucial for the long-term sustainability of wastewater treatment solutions in India.

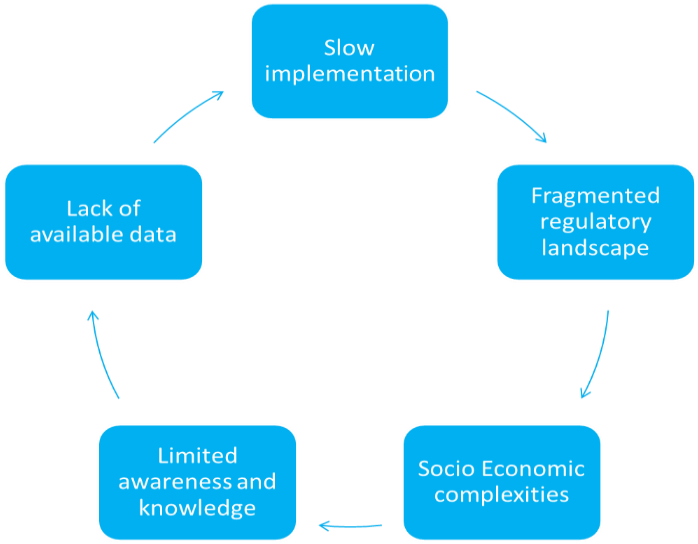
A shift of mindset:

Traditionally, wastewater in India has been seen as a waste product. However, there is a growing shift in perspective, with government initiatives and public awareness campaigns promoting wastewater as a resource. Treated wastewater can provide an alternative source for irrigation, addressing agricultural water scarcity and reducing reliance on freshwater. Advances in treatment technologies also enable the reuse of treated wastewater for non-potable urban applications, such as toilet flushing and park irrigation. This approach decreases freshwater demand and supports a more circular water economy in cities.

Market restraints for the Indian wastewater treatment market

With rapid urbanization, many Indian cities are facing significant waste management challenges. Consequently, wastewater treatment has emerged as a critical sector, promising not only environmental benefits but also the potential for water reuse and resource recovery. While the market presents a significant opportunity, its growth is not without its challenges. Beyond the frequently cited hurdles of infrastructure investment and technological adoption, several unconventional restraints hinder the sector's full potential. These restraints include:

Exhibit 5.5: Market restraints for the Indian wastewater treatment market



Source: Frost & Sullivan analysis

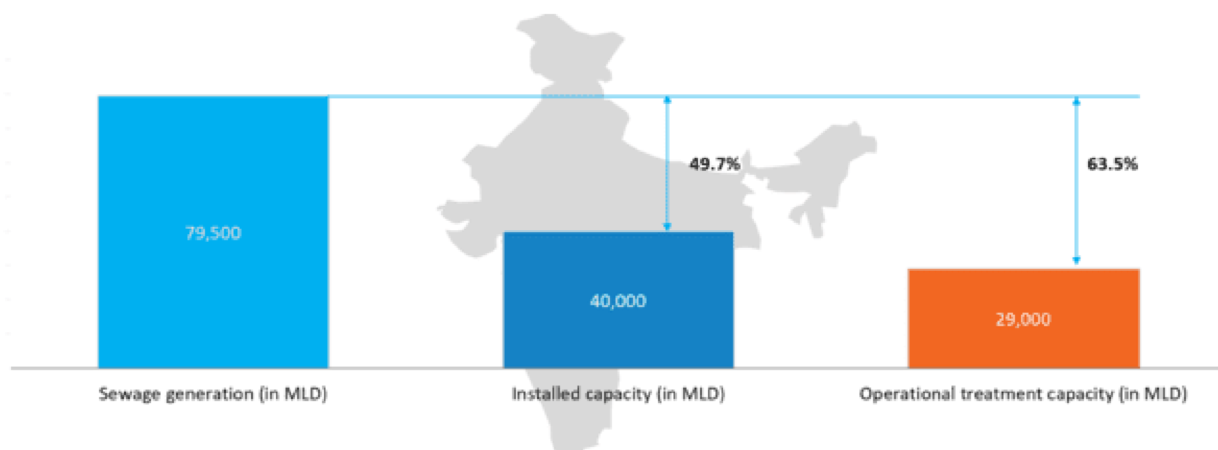
Indian sewage treatment market

India's sewage water treatment market is experiencing a surge driven by the urgent need for effective wastewater management. Expanding industries, and the alarming state of river pollution are all converging to create a critical situation. Fortunately, the Indian government recognizes this challenge and is taking steps to remedy this.

Sewage generation and treatment capacity in India

Stringent environmental regulations, a focus on sustainability, and infrastructure development are fostering innovation in wastewater treatment. India's urban population generates 79,500 million litres per day (MLD) of sewage, but the operational treatment capacity is only 29,000 MLD, leaving a shortfall of 50,500 MLD.

Exhibit 5.6: Sewage Generation and Treatment Capacity, India, FY2023



Source: Primary interactions, Frost & Sullivan analysis

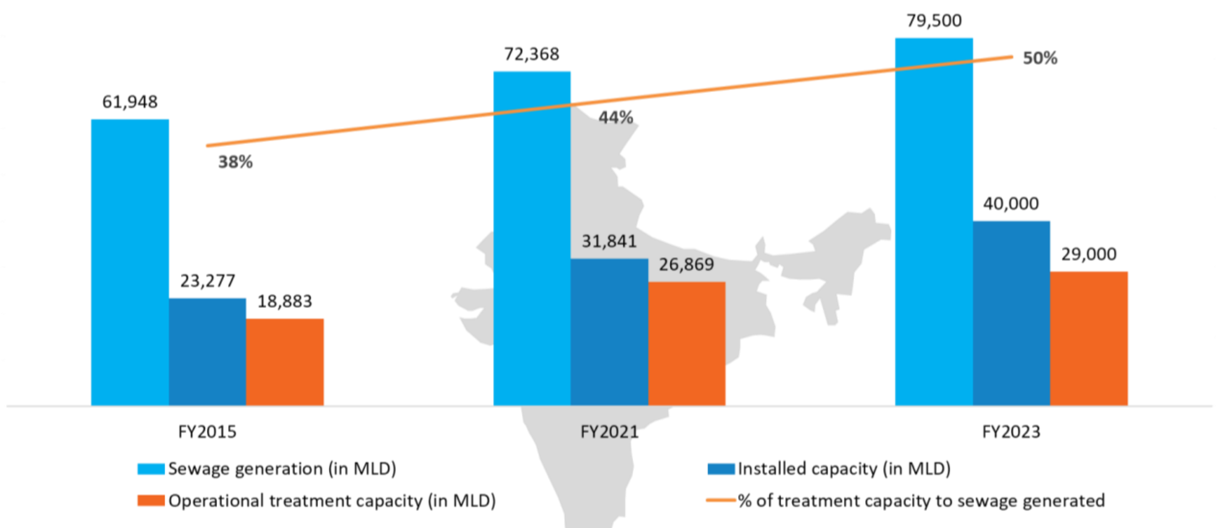
This results in 63.5% of sewage being untreated, leading to river and groundwater pollution, harming ecosystems, contaminating drinking water, and spreading waterborne diseases. Addressing these challenges requires new technologies to modernize outdated treatment plants and enhance the water cycle's sustainability.

Current inventory of Sewage Treatment plants in the country

Effective wastewater management is a cornerstone of environmental health and sustainable development. In India, significant efforts are underway to address the challenge of untreated sewage. A crucial aspect of this endeavor is maintaining a comprehensive inventory of existing Sewage Treatment Plants (STPs). According to the Central Pollution Control Board's (CPCB) latest report published in March 2021, India possesses a network of 1,093 Operational Sewage Treatment Plants (STPs) (no. of installed STPs being 1,469) spread across its 35 states and union territories as on June 30, 2020.

India's sewage generation for urban areas has steadily increased from 61,948 million liters per day (MLD) in FY2017 to 79,500 MLD in FY2023, reflecting urbanization and population growth. Over the same period, sewage processing capacity has risen from 23,277 MLD in FY2015 to 40,000 MLD in FY2023, indicating efforts to expand infrastructure but still lagging behind the growing sewage output. Projections show that by FY2029, sewage generation will reach 102,025 MLD, while processing capacity is expected to improve to 68,737 MLD, highlighting the need for continued investment to bridge the gap and meet environmental sustainability goals.

Exhibit 5.7(a): Sewage generation and treatment capacity in India, FY2015, FY2021 and FY2023

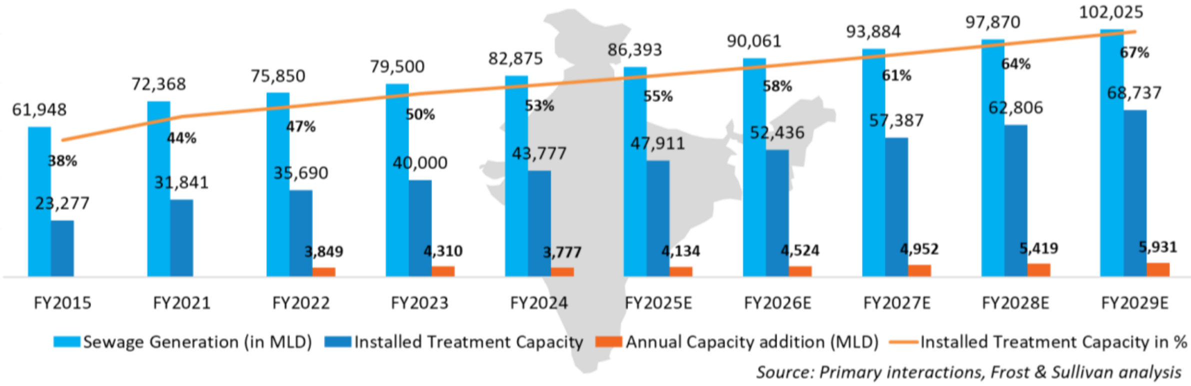


Source: National inventory of sewage treatment plants, Primary interview, Frost & Sullivan analysis

The data indicates a significant and consistent issue with the gap between sewage generation and processing capacity in India, yet it shows a promising trend of gradual improvement. From FY2015 to FY2029, sewage generation is projected to increase from 61,948 MLD to 102,025 MLD. Although installed treatment capacity is also projected to increase from 23,277 MLD in FY2015 to an estimated 68,737 MLD in FY2029, the gap between generated sewage and its processing remains substantial.

However, it is noteworthy that the gap is slowly narrowing over the years. In FY2015, the gap was 38,671 MLD, and it is projected to decrease to 33,288 MLD by FY2029. Additionally, the percentage of sewage processed has improved from 38% in FY2015 to an expected 67% by FY2029, indicating progressive strides towards enhancing sewage treatment infrastructure.

Exhibit 5.7 (b): Estimated sewage generation versus installed treatment capacity in India, FY2015 – FY2029E



Despite these improvements, the persistent gap highlights the need for accelerated efforts in expanding sewage treatment facilities to keep pace with increasing urbanization and population growth. This challenge underscores the importance of investing in more efficient and scalable sewage treatment technologies and policies to bridge this gap more rapidly.

Exhibit 5.7 (c): Estimated annual capacity addition and penetration of SBR in India, FY2022 – FY2029E

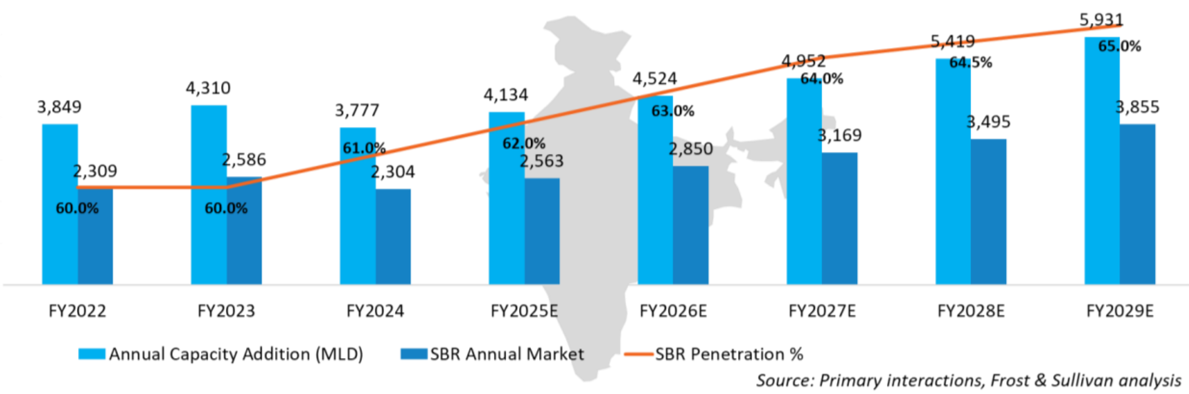
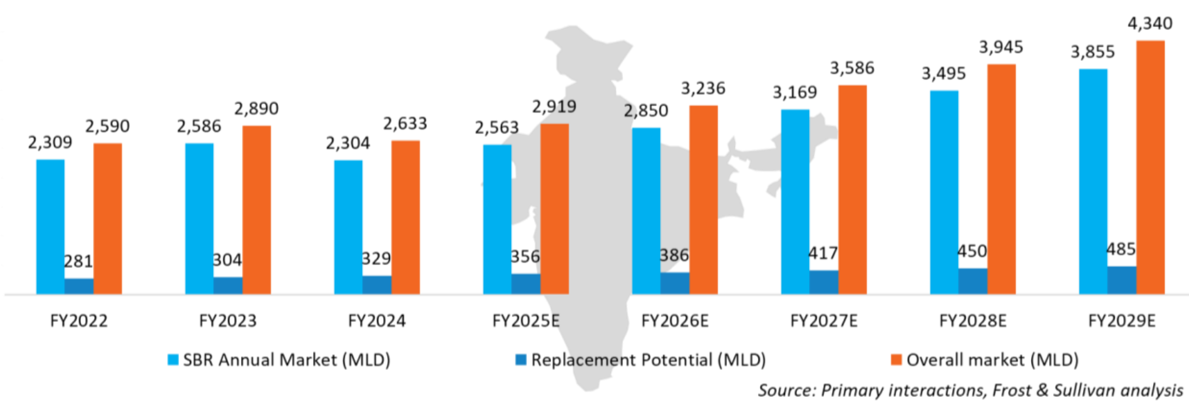


Exhibit 5.7 (d): SBR annual market, Replacement potential and overall market, India, in MLD, FY2022 – FY2029E



The Sequential Batch Reactor (SBR) market is experiencing steady growth, driven by both new installations and replacement needs. The annual market for SBR systems is expected to increase from 2,309 MLD to 3,855 MLD between FY2022 and FY2029E. Replacement potential has also expanded, from 281 MLD in FY2022 and is anticipated to grow to 485 MLD by FY2029E. As a result, the overall annual market for SBR, which combines new demand and replacements, is projected to increase from 2,590 MLD in FY2022 to 4,340 MLD in FY2029E, reflecting rising investment in wastewater treatment infrastructure.

Guidelines and Governance in the Sewage Treatment Sector: Incentives and Penalties

The Indian government enforces regulations and incentives to ensure environmentally sound wastewater management in the sewage treatment industry. The Central Pollution Control Board (CPCB) mandates that certain infrastructures, including apartments, commercial projects, educational institutions, townships, and area development projects, must have sewage treatment plants (STPs) if they meet specific conditions. The regulations cover STP site selection, technology, operation, and maintenance to ensure effective and safe operation. These rules aim to promote compliance while also providing financial incentives and penalties to regulate the industry.

The Technology of STP

The approved STP technologies are:

Sequential Batch Reactor (SBR) (Cyclic activated sludge technology (C-Tech) is the recent version of sequential batch reactor)

Activated Sludge Process (ASP) (only when above 500 KLD sewage is generated).

Membrane Bio Reactor (MBR)

Moving Bed Bio Reactor (MBBR)

Regulations:

In India, housing projects over 20,000 square metres in metro cities must install private sewage treatment plants (STPs) with builders responsible for installation and five years of maintenance. Regulations have evolved since 2015, with the Central Pollution Control Board (CPCB) initially enforcing strict discharge rules, which were relaxed in 2017, leading to a decline in water quality. The National Green Tribunal (NGT) tightened these regulations in 2019, setting stricter standards for STPs on Biochemical Oxygen Demand (BOD), pH, Total Suspended Solids, Nitrogen, Chemical Oxygen Demand (COD), and Fecal Coliform levels.

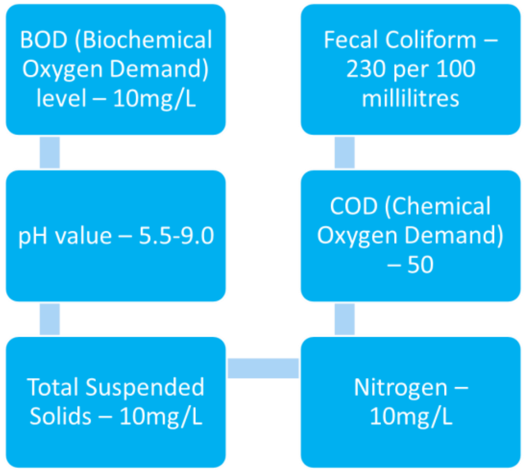
Incentive Structures for Investment and Participation:

The Indian government promotes sewage treatment investment through financial mechanisms like the Hybrid Annuity Model (HAM) under the National Mission for Clean Ganga (NMCG). The government covers 40% of the capital cost, while developers cover 60% and all operational costs, with repayment over 15 years. The "one city, one operator" concept is also used for efficient STP management.

Penalty for non-compliance:

State governments impose penalties under the Water (Prevention and Control of Pollution) Act, capped at INR 5 lakhs, which may not deter violations. The NGT has fined states a total of approximately INR 301.8 billion for mismanagement of sewage and solid waste, including INR 80,000 crore for non-compliance. Major deficiencies include unmanaged liquid waste and legacy waste, with Tamil Nadu, Maharashtra, Madhya Pradesh, and Uttar Pradesh receiving the highest penalties.

Exhibit 5.8: Key Regulatory Requirements



Source: Frost & Sullivan analysis

Exhibit 5.9: Total fine levied for non-compliance, by State

STATE	FINE (INR BILLION)
Maharashtra	120
Karnataka	29
Rajasthan	25
West Bengal	25
Telangana	25
Punjab	20

Indian Government's vision and initiatives for sewage treatment infrastructure growth

While there isn't a single, overarching national target for sewage treatment capacity growth in India, the government acknowledges the critical need for improvement. The Governments vision focuses on achieving sustainable wastewater management and minimizing water pollution through strategic initiatives and programs.

Vision for sewage treatment infrastructure:

Environmental Sustainability: The goal is to establish a network of efficient Sewage Treatment Plants (STPs) to prevent untreated sewage discharge into water bodies, thereby enhancing environmental sustainability.

Public Health Improvement: Proper sewage treatment aims to reduce waterborne diseases and improve public health outcomes.

Resource Recovery: The government supports the reuse of treated wastewater for non-potable purposes such as irrigation and industrial processes to promote water conservation.

Key Government initiatives and potential targets:

National Mission for Clean Ganga (NMCG): Launched in 2011, this initiative aims to achieve complete sewage treatment for the Ganga by 2030, significantly boosting treatment capacity along the river.

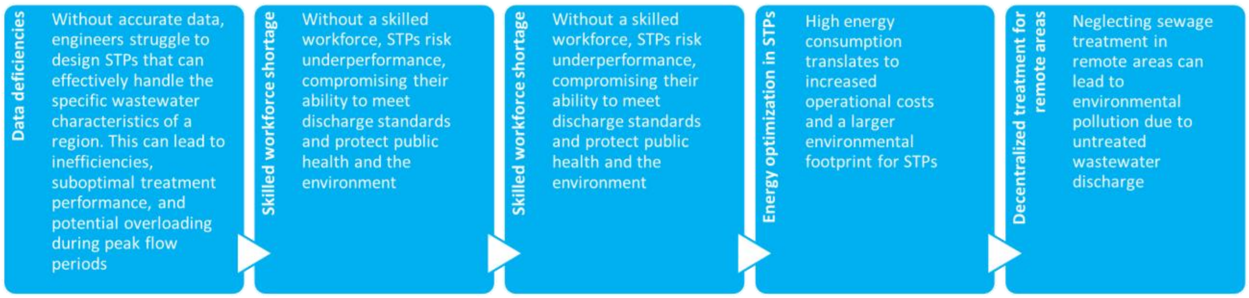
Atal Mission for Rejuvenation and Urban Transformation (AMRUT): Initiated in 2015, AMRUT aims for universal sanitation access in cities by 2024, necessitating increased urban sewage treatment infrastructure.

Swachh Bharat Mission (SBM) Urban 2.0: In 2020, an updated program emphasized faecal sludge management and wastewater treatment, highlighting the urgent need for improved sewage treatment infrastructure. These initiatives also integrated sanitation, urban transformation, and river rejuvenation, all of which are critical components of India's broader infrastructural development plans.

Unique challenges in India's sewage treatment industry

The Indian government recognizes the critical need to improve sewage treatment infrastructure. However, the industry faces a multitude of challenges beyond the usual suspects of funding and infrastructure limitations. Here's a comprehensive analysis of 10 unique issues hindering growth:

Exhibit 5.10: Challenges in India's sewage treatment industry



Source: Frost & Sullivan analysis

Select upcoming sewage treatment plants in the country

Exhibit 5.11: Upcoming STP Plant * in India

CITY	PROJECT NAME	CAPACITY (MLD)	PROJECT COST IN INR Cr #
Ahmedabad, Gujarat	424 MLD STP Pirana AMC	424	599
Ahmedabad, Gujarat	375 MLD STP Vasna	375	778
Meerut, Uttar Pradesh	220 MLD STP Meerut	220	370
Hyderabad	965 MLD (38 STPs) (HMWSSB)	965	1,565

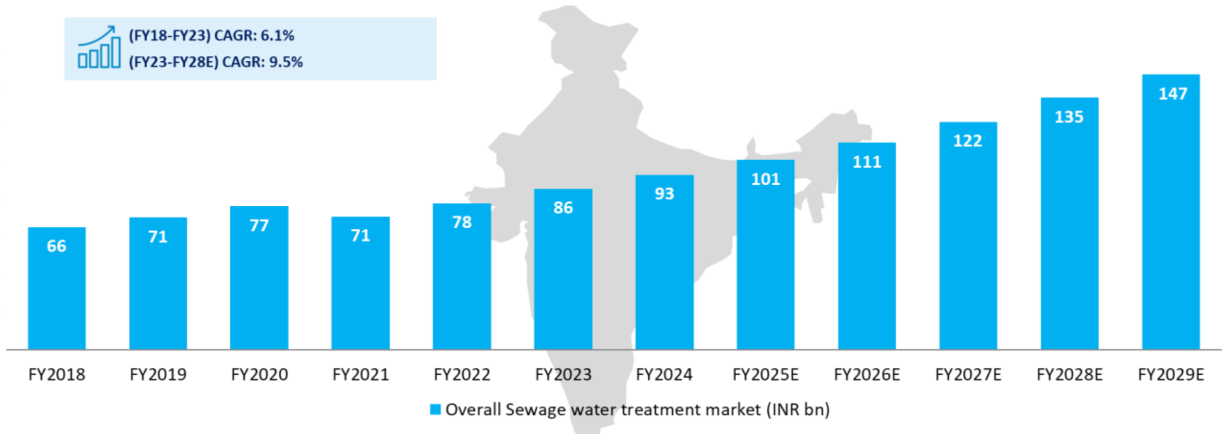
**includes projects under construction and upcoming projects at tender stage*
 # sourced from data in the public domain and this may include the cost of construction of ancillary infrastructure facilities in addition to STP

Growth forecast of the Indian Sewage Treatment market

India's urbanisation and economic growth have led to increased wastewater generation, driving government and private sector efforts to improve sewage treatment infrastructure. This collaboration is advancing the sewage treatment market through new technologies that enhance treatment efficiency and support resource recovery, such as converting wastewater into reusable water or biogas.

The Indian sewage water treatment market has grown at a CAGR of 6.1% between FY2019 and FY2024 and is projected to grow at a CAGR of 9.5% between FY2025 and FY2029. A key factor driving this growth is India's population, which, while growing at a slower rate (approximately 0.8% annually as of FY2023), still results in a significant increase in sewage generation, particularly in urban and industrial areas. The pace of sewage generation, driven by both population growth and urbanization, is expected to outpace the growth in operational sewage treatment capacity.

Exhibit 5.12: Sewage water treatment market, India, in INR billion, FY2018 – FY2029E



Source: Primary interactions, Frost & Sullivan analysis

This imbalance emphasizes the critical need for expansion and modernization of wastewater treatment infrastructure. As more people migrate to cities and industrial activity intensifies, the existing systems struggle to handle the volume of waste produced. Addressing this gap will be essential to meeting both environmental standards and public health needs.

Overview of global Treated Wastewater (TWW) reuse practices

Global insights into treated wastewater reuse: Key factors driving success

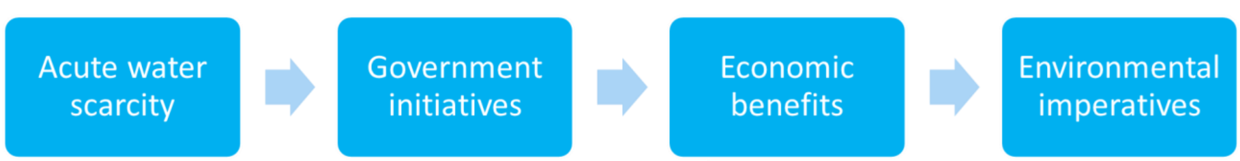
Exhibit 5.13: Global best practices adopted in three Nations

	SPAIN	ISRAEL	SINGAPORE
Challenge	Uneven water distribution with drier regions facing scarcity.	Chronic water shortage and increasing water demands.	Limited land and water sources, reliant on imports.
Solution	Legal framework established through the Spanish Royal Decree (2007) for TWW reuse.	Defined wastewater as a resource in its first Water Law (1959).	Developed a comprehensive water security strategy focusing on diversification.
	National Investment Plan (2020) promotes reuse and treatment efficiency.	Established a centralized Israel Water Authority (IWA) for water management.	Implemented the Water Master Plan (1972) creating a strong legal and institutional framework. Established the Public Utilities Board (PUB) to manage water supply, treatment, and reuse
Outcome	This approach led to high reuse rates in regions like Murcia and Catalonia.	This resulted in a reuse rate of nearly 90% of treated wastewater.	Currently reuses about 40% of treated wastewater, projected to reach 55% by 2060.

Treated Wastewater Reuse in India: A Unique Opportunity for Water Security

Water scarcity is a growing threat across the globe, with burgeoning populations and climate change putting immense strain on freshwater resources. Treated wastewater reuse (TWW) has emerged as a promising solution for sustainable water management.

Exhibit 5.14: Growth drivers for treated wastewater reuse in India



Source: Frost & Sullivan analysis

Exhibit 5.15: Enablers for Successful Treated Wastewater Reuse in India

Source: Frost & Sullivan analysis

While countries like Singapore and Israel have pioneered successful TWW programs, India presents a unique case. With a vast and diverse population, a rapidly growing economy, and specific socio-economic challenges, India's approach to TWW reuse needs to be tailored to its unique context.

Review of existing centre and state-level policies regarding TWW Reuse in India

In the absence of specific standards and guidelines, wastewater reuse for irrigation is practised informally in India. Local governments and industries in several parts of the country earn income by selling treated or untreated wastewater to local farmers. However, a lack of comprehensive standards and policy framework is hindering the development of a formal market, appropriate technology, and sustainable business/financial models (Mahreen, 2022). Some states have already formulated policies on the reuse of treated wastewater.

Exhibit 5.16: Existing state-level and national policies for reuse of TWW

STATE	POLICY NAME	KEY HIGHLIGHTS
West Bengal	Treated Wastewater Re-use Policy of Urban West Bengal (June 2020)	Focuses on sustainable water resource management through effective re-use of treated wastewater, reducing dependency on fresh ground/surface water, and implementing reforms in planning, institution, finance, technology, and legal regulation.
Gujarat	Policy for Reuse of Treated Wastewater (May 2018)	Aims for 70% reuse of treated wastewater by 2025 and 100% by 2030, reducing dependency on freshwater sources by maximising collection and treatment of sewage.
Karnataka	Policy for Urban Wastewater Reuse (December 2017)	Promotes wastewater reuse to address water scarcity and environmental protection through resource efficiency, environmental stewardship, water security, economic benefits, and a focus on agriculture for sustainable irrigation.
Jharkhand	Wastewater Policy (2017)	Emphasizes the role of urban local bodies in wastewater management, promoting reuse with a phased approach to agricultural applications due to public health concerns. Recognises treated wastewater as a long-term renewable water resource.
Madhya Pradesh	State Level Policy for Wastewater Recycle & Faecal Sludge Management (2017)	Aligns with national sanitation goals, promoting reuse in non-agricultural urban areas like parks and green belts due to limited agricultural land in urban areas.
Andhra Pradesh	Policy on Wastewater Reuse and Recycling for Urban Local Bodies	Encourages the substitution of groundwater with treated wastewater for industrial and agricultural uses, prioritising institutional arrangements, participatory approaches, and legislative measures.
Rajasthan	State Sewerage and Wastewater Policy (2016)	Aims to improve urban health through sustainable sanitation services, targeting treated wastewater reuse for irrigation according to WHO guidelines. Includes financial models and approaches for incentivization.

STATE	POLICY NAME	KEY HIGHLIGHTS
Punjab	Treated Wastewater Policy (2017)	Prioritises agricultural reuse of treated effluent with a focus on irrigation water quality, soil type, and economic feasibility to ensure crop suitability and viability.
Tamil Nadu	Treated Wastewater Reuse Policy	Encourages reuse of treated wastewater for industrial and agricultural uses through MoUs between Urban Local Bodies and user agencies for the reuse of secondary treated effluent water.
Jammu & Kashmir	State Policy for Wastewater Reuse (2017)	Formulated before the formation of UTs of Ladakh and J&K, focusing on wastewater reuse.
Chhattisgarh	Chhattisgarh's Urban Administration and Development Department	Chhattisgarh's Urban Administration and Development Department has introduced a Wastewater Recycle and Reuse Policy aimed at promoting the use of treated wastewater for non-drinking purposes. The policy seeks to balance domestic, agricultural, and industrial needs, fostering sustainable growth and minimizing conflicts over limited water resources
Haryana	Treated wastewater treatment policy, 2019	Haryana's 2019 Treated Wastewater Reuse Policy prioritizes the reuse of treated wastewater to address water scarcity and quality concerns. The reuse hierarchy includes thermal power plants, industries, construction, dual water systems, large commercial use, municipal use, and agriculture/irrigation, with agricultural use permitted only after other demands are met
Maharashtra	Maharashtra's State Water Policy	Maharashtra's State Water Policy promotes the recycling and reuse of treated wastewater and mandates penal actions against polluters. It ensures that at least 80% of water used for domestic purposes will be available for reuse. Local bodies are required to treat and make the entire generated sewage available for reuse, following standards set by the Maharashtra Pollution Control Board (MPCB). There is no separate policy specifically for wastewater reuse.
National Framework	National Framework for the Safe Reuse of Treated Wastewater (November 2022)	Developed by NMCG with NITI Aayog and others, this framework supports a circular economy approach for the safe reuse of treated wastewater to reduce pressure on surface water resources, environmental pollution, and public health risks.

Source: chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.niti.gov.in/sites/default/files/2023-08/Revised_Strategy-Paper-on-Reuse-of-Treated-wastewater-in-peri-urban-agriculture-in-India.pdf

Potential applications for TWW Reuse in India

Treated wastewater reuse (TWW) in India is poised for a significant transformation. Moving beyond conventional applications, a wave of innovative approaches is emerging, promising to unlock the true potential of this valuable resource. Here, we delve into this diversified landscape, exploring promising sectors and applications for TWW reuse in India:

Exhibit 5.17: Potential applications for TWW reuse in India

CATEGORY	APPLICATION	DETAILS
Rethinking Agriculture: Sustainable Irrigation	Precision Irrigation	Utilises drip irrigation and fertigation to deliver treated wastewater directly to roots, maximising water use efficiency and benefiting high-value crops like fruits and vegetables.

CATEGORY	APPLICATION	DETAILS
	Aquaponics	Integrates aquaculture and hydroponics; treated wastewater nourishes fish, and nutrient-rich water fertilizes plants, creating a sustainable, closed-loop system.
	Bioremediation & Phytoremediation	Utilises treated wastewater to irrigate tree plantations or constructed wetlands, acting as biofilters to remove pollutants and enhance biodiversity.
A Circular Water Economy	Non-potable Urban Applications	Applies treated wastewater for toilet flushing, street cleaning, and landscape irrigation, reducing freshwater reliance in cities.
	Industrial Process Water	Substitutes freshwater with treated wastewater for cooling and boiler feed in industries, especially in water-stressed zones.
	Urban Aquifer Recharge	Recharges groundwater by injecting advanced treated wastewater into aquifers, securing water resources for future use.
Embracing Innovation	Construction Industry	Uses treated wastewater for dust suppression, concrete curing, and mixing, reducing potable water usage in construction.
	Energy Production	Employs treated wastewater in cooling towers of thermal power plants, conserving freshwater resources.
	Sanitation and Hygiene	Provides treated wastewater for sanitation in urban slums and peri-urban areas, coupled with hygiene education to improve public health.

Current landscape and future trajectory of TWW availability in India

Exhibit 5.18: Current landscape and future trajectory of TWW availability in India

CATEGORY	ASPECT	DETAILS
Current Scenario	Limited Treatment Capacity	Only around 30% of India's wastewater is treated, leaving a vast resource untapped.
	Uneven Distribution	TWW generation and treatment are concentrated in urban areas, creating geographical disparities, particularly in water-stressed rural regions.
	Infrastructure Bottlenecks	Aging treatment plants and lack of distribution networks, especially in rural areas, limit TWW access and efficiency.
Emerging Trends	Policy Push	Initiatives like AMRUT and SBM 2.0 are driving investment in wastewater treatment, projected to increase TWW generation significantly over the next two decades.
	Technological Advancements	Innovations in modular and decentralized treatment systems offer cost-effective solutions for smaller communities, expanding TWW reach beyond major cities.
	Public-Private Partnerships (PPPs)	Collaboration between government and private entities can accelerate infrastructure development, enhancing wastewater treatment efficiency and TWW availability.
A Vision for FY2044	Increased Availability	A four-fold increase in TWW availability is projected by 2044, driven by policy, infrastructure, and technology improvements.
	Geographical Diversification	Investments in rural treatment and distribution networks will help bridge geographical gaps, making TWW viable for irrigation and other uses in water-stressed regions.
	Shifting Market Dynamics	As TWW availability increases, its economic value will rise, encouraging broader adoption of TWW reuse practices in industries and communities.
Challenges and Opportunities	Challenges	Public Perception & Acceptance: Negative public perception requires educational campaigns and safe reuse demonstrations.
	Regulatory Framework	Inconsistent regulations hinder TWW adoption; clear guidelines are needed.
	Treatment Infrastructure	Upgrading WWTP infrastructure, especially in smaller towns, is essential for sufficient treated water supply.
	Technological Limitations	Investment in advanced treatment technologies (C-Tech) is necessary for improving effluent quality and expanding reuse options.
	Cost Considerations	Initial costs for upgrading WWTPs and infrastructure are high; exploring PPPs and innovative financing models can improve economic feasibility.
	Skilled Workforce	Developing training programs is crucial for managing treatment plants, monitoring water quality, and educating stakeholders.
	Logistical Challenges	Developing efficient distribution methods for treated wastewater, particularly in rural areas, is vital.

	Opportunities	Water Scarcity: Growing water scarcity creates demand for alternative water sources, with TWW as a sustainable solution.
	Industrial & Agricultural Demand	TWW offers a reliable, cost-effective alternative for industrial processes and irrigation.
	Cost Savings	TWW reuse reduces freshwater dependency, leading to cost savings for industries, farmers, and municipalities.
	Environmental Benefits	TWW reuse reduces freshwater extraction, wastewater discharge, and promotes a circular water economy.
	Job Creation	Expanding TWW infrastructure can create jobs in construction, operation, maintenance, and related industries.
	Technological Advancements	Innovations like membrane filtration and advanced oxidation processes can improve effluent quality and reuse applications.
	Policy & Regulatory Support	Government initiatives, subsidies, and incentives can significantly accelerate TWW adoption.

Market potential for TWW reuse in India

The treated wastewater (TWW) market in India is set to grow due to increasing water scarcity and supportive government policies like AMRUT and SBM 2.0. The treated wastewater (TWW), in almost entirety, is either discharged to the watercourses or being used for irrigating parks, lawns or public places. Its reuse for non-potable purposes, such as crop irrigation, industrial processes, and groundwater recharge, is still relatively uncommon.
Only a small fraction of treated wastewater finds its way back into productive use, representing an untapped resource that could alleviate water scarcity concerns. As inferred from the inventory of STPs published by CPCB, just less than 1,000 MLD, which is about 3% of treated wastewater and 1% of wastewater generated, is being reused for some valuable purposes.

Exhibit 5.19: Market potential for treated wastewater reuse, in India, in MCM, Per annum, FY2021 – FY2029E

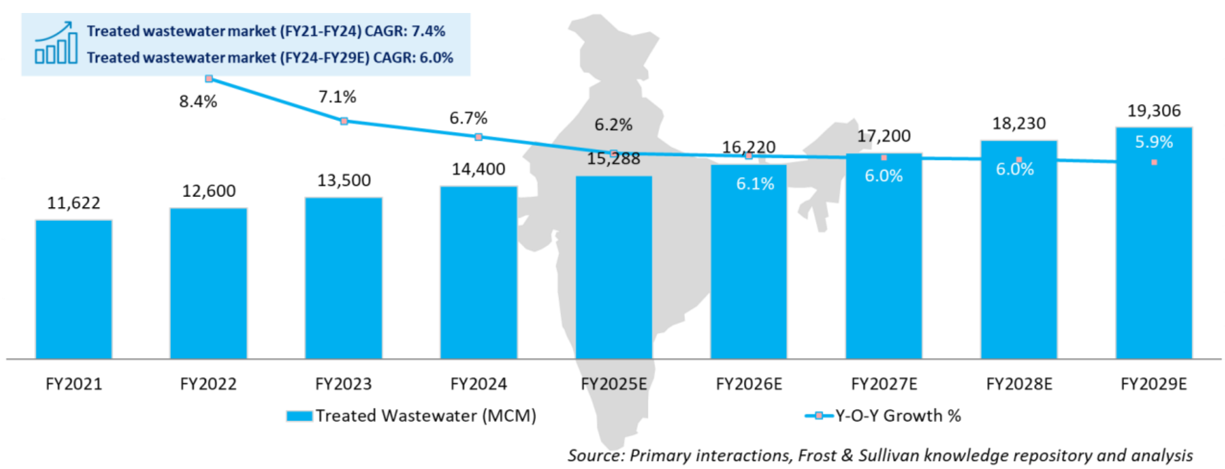
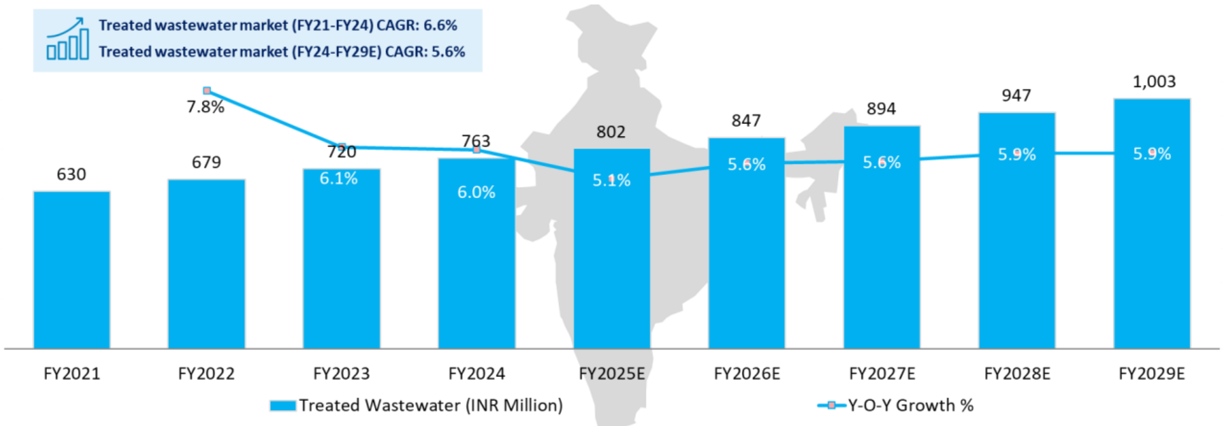


Exhibit 5.20: Potential market value of TWW, in INR Million, India, FY2021 – FY2029E



Source: Primary interactions, Frost & Sullivan knowledge repository and analysis

Non-utilization of TWW is a waste of resources, the capital cost of the treatment facility, and the expense incurred in treating the used water. These factors are driving infrastructure development and stricter wastewater treatment regulations, positioning treated wastewater as a valuable resource. In FY2024, India had approximately 14,400 MCM of treated wastewater available for potential reuse. This is projected to rise to 15,288 MCM by FY2025 and 19,306 MCM by FY2029E. In FY2023, around 8,603 MCM of treated wastewater could have been reused in irrigation, potentially irrigating 1.38 million hectares of land, equivalent to nine times the area of New Delhi.

Additional economic benefits from the reuse of treated water

Reduction in fertilizer usage

Wastewater contains valuable nutrients (nitrogen, phosphorus, and potassium, or NPK). Thus, reusing treated wastewater for irrigation can aid crop growth and reduce the demand for synthetic fertilizer use. This can lead to both environmental and economic benefits. the nutrients from currently available TWW for irrigation amount to more than 6,000 tonnes. On account of this inherent nutrient value, irrigation using TWW has the potential to reduce fertilizer usage by 9–10 per cent.

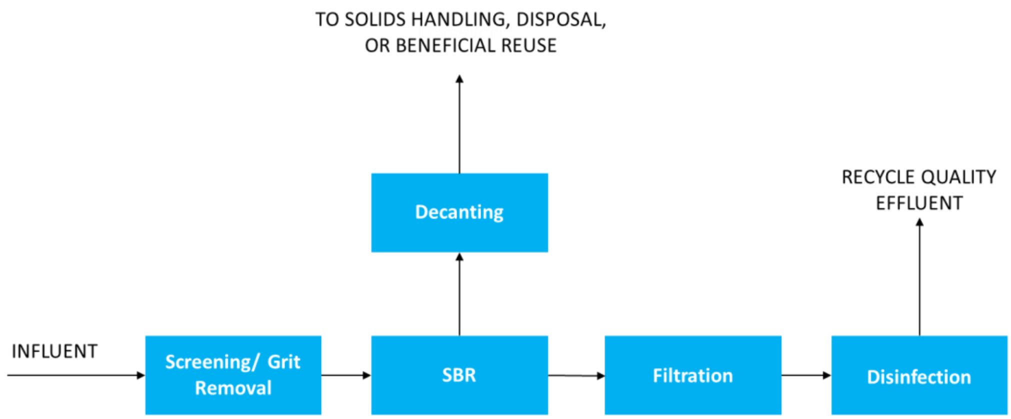
Reduction in area irrigated by groundwater and GHG emissions

India has a net irrigated area of 68.2 Mha, of which 60% (about 39 Mha) is irrigated through groundwater. The available treated wastewater would have the potential to irrigate 3 Mha by 2050. This would have reduced pumping in 3.5% of the groundwater-irrigated area in FY2021, which will increase to 8% by FY2050.

Overview of SBR technology

The Sequencing Batch Reactor (SBR) is a key wastewater treatment technology in India, representing about 28% to 30% of installed capacity for municipal and industrial plants. It treats wastewater in a single batch reactor, combining equalisation, aeration, clarification and nutrient removal (nitrogen and phosphorus). Wastewater is screened and grit is removed before entering a partially filled reactor with acclimated biomass. The reactor operates in batches, performing aeration and mixing, then allowing biomass to settle before removing treated water. Excess biomass is periodically removed to maintain the proper influent-to-biomass ratio. In continuous flow systems, this ratio is maintained by adjusting return activated sludge flowrates. After SBR treatment, the wastewater may flow to an equalisation basin for controlled flow to additional processes. In some cases, it is further filtered and disinfected.

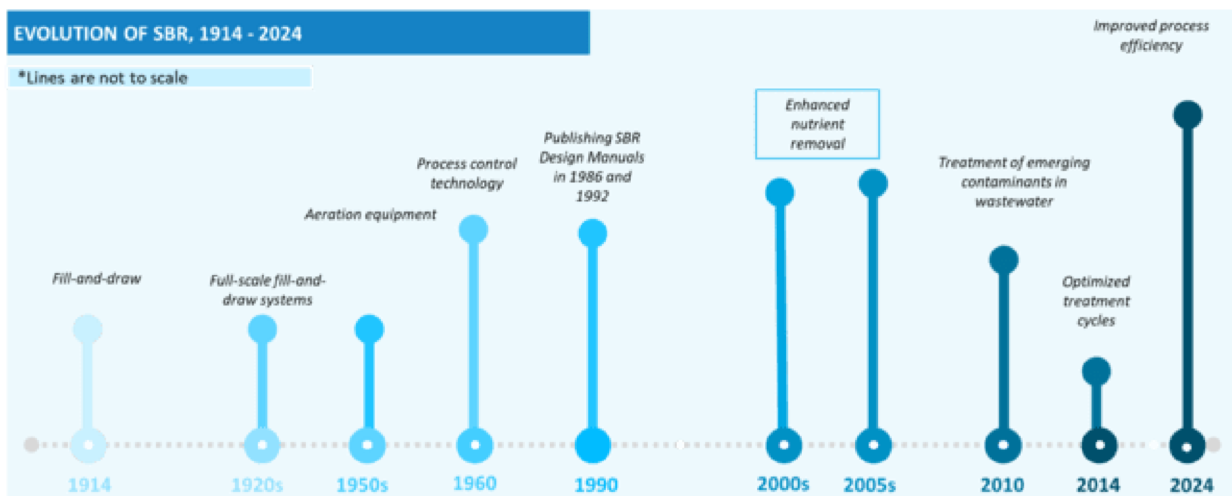
Exhibit 5.21: Process flow diagram for a typical SBR



Source: Frost & Sullivan analysis

The SBR technology, though not entirely new, has seen a resurgence in recent decades due to its flexibility and efficiency.

Exhibit 5.22: Evolution of SBR technology



Source: Frost & Sullivan analysis

Overview of C-Tech process

C-Tech is the latest generation SBR process, employed extensively for treating both domestic sewage and industrial effluents to achieve recyclable quality water with low life cycle cost, and has installations in many countries, including UK, Germany, Poland, Austria, China, Russia, Australia, Vietnam and Malaysia. Unlike traditional SBR systems, C-TECH uses two or more batch tanks in parallel, with their sequences out of phase, allowing continuous flow without the need for an upstream buffer tank. This design reduces the site footprint by approximately 50%. C-TECH operates as a cyclic-activated sludge process and is fully automated through PLC and SCADA, requiring minimal operator intervention. C-Tech technology offers up to 40% savings in power consumption as compared to other conventional technologies, thereby reducing the overall O&M cost of the STP.

C-Tech is a versatile technology that effectively handles seasonal, diurnal and quality variations compared to conventional technologies by automatically adjusting water level, decanting rate and air supply, and has successfully been implemented to treat wastewater from refineries / pharmaceutical / petrochemical / textile industries.

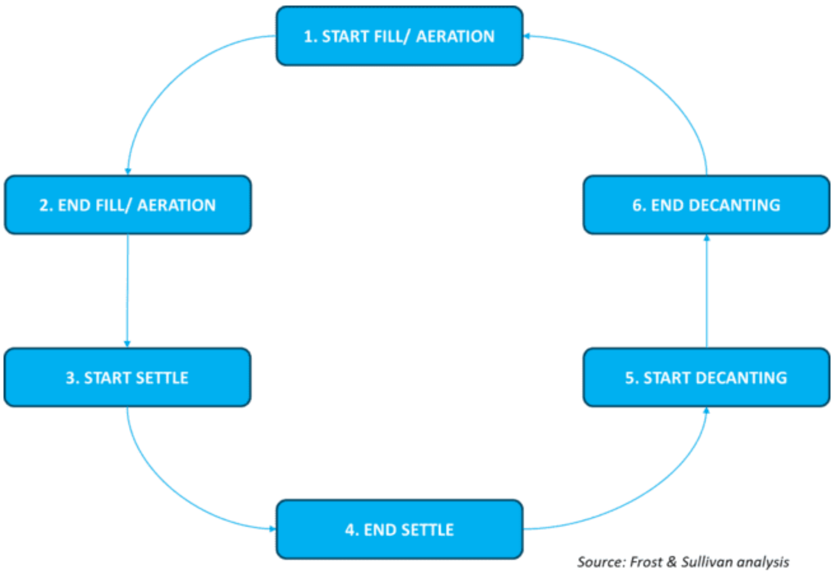
The C-TECH system features several circular or rectangular batch reactor basins, each with an anoxic-anaerobic selector zone, aeration zone, internal recycle, decant arm, and an oxygen uptake rate (OUR) based aeration control system. It operates with one equalization tank and one tank or with two or more batch tanks in parallel, with their cycles out of phase, enabling continuous flow and eliminating the need for an upstream buffer tank, thus reducing space requirements compared to traditional SBR systems. C-Tech is SFC's proprietary technology for wastewater treatment which is an advanced technology for treating sewage and effluents. The Company was the first technology provider in the SBR space, with the introduction of C-Tech in India in the WWT segment. A primary advantage of the C-Tech system, as compared to other conventional technologies, is that it offers an efficient method of a cyclic activated sludge treatment, that produces a recyclable quality effluent in a single step. This proprietary technology is not only superior to conventional systems but also drives significant cost, space, and environmental benefits. This technology stands out for its ability to handle large volumes of sewage, achieving superior treatment efficiency with a smaller footprint compared to traditional systems.

Exhibit 5.23: Summary of C-TECH Wastewater Treatment System

ASPECT	DETAILS
Process Flow	Fill and Anoxic Mix: Influent fills reactor; mixed with previous cycle effluent for microorganisms. Anoxic conditions favour PAOs for nutrient removal.
	Aeration: Dissolved oxygen increases, promoting aerobic bacteria growth.
	Settle: After aeration, solids settle; clarified supernatant is treated effluent.
	Decant: Clarified effluent removed from the top; sludge may be withdrawn.
Performance Parameters	Effluent Quality:
	BOD: ≤ 10 mg/l (typical 5-10 mg/l).
	SS: ≤ 10 mg/l (typical 5-10 mg/l).
	TN: ≤ 10 mg/l (typical 5-10 mg/l).
	TP: ≤ 1 mg/l (typical 0.5-1 mg/l).
	Process Efficiency:
	SVI: Target 40 mL/g – 60 mL/g
	Cycle Time: 3-6 hours.
	OUR: Oxygen Uptake Rate control for energy optimisation.
	Footprint: 30-50% reduction compared to conventional SBRs.
	Costs: 10-20% capital cost savings; 75-85% energy savings compared to ASPs.
Benefits	High efficiency, compact footprint, flexibility, low energy consumption.
Applications	Municipal and industrial wastewater treatment, small communities, remote locations.

C-Tech uses the latest automation technology, using the PLC / SCADA systems. The process automation is designed for operation without manual intervention and the performance of the STP is independent of the operators' skill. C-Tech technology introduced three path-breaking innovations, namely bacterial selection by using selectors prior to main treatment, concurrent nitrification and denitrification, and biological phosphorus removal by unique process designed based on simply switching air on and off, thereby facilitating the efficient removal of both carbon and nutrients (nitrogen and phosphorus) in a single treatment step, while also generating sludge with very low SVI, which results in excellent settling of suspended solids giving a crystal clear outlet with low suspended solids (<10 ppm) and BOD (< 5-10 ppm).

Exhibit 5.24: C-TECH process cycle



Source: Frost & Sullivan analysis

With 621 C-Tech installations commissioned in the wastewater treatment segment, particularly in STPs, SFC holds over 80% market share in SBR technology in India, as of September 2024. This demonstrates their experience and leadership in this technology. SFC's C-Tech technology has been implemented in the large-scale SBR-based STPs in India, including one of the largest STP under development, which has a treatment capacity of 375 MLD wastewater, as of November 2024. Over the years, the Company has successfully executed diverse portfolio of projects spanning various capacities and geographical locations. This underscores the Company's reliability, trustworthiness, and ability to consistently deliver value, solidifying its position as a preferred partner in the industry. The company's C-Tech technology generates sludge having one of the best sludge volume index ("SVI"), offering up to 98% biochemical oxygen demand ("BOD") removal efficiency in a single step.

These projects span diverse locations, including Germany, the UK, Austria, China, Iran, Saudi Arabia, Hungary, Mexico, and importantly, India. SFC's C-Tech technology has been implemented in the large-scale SBR-based STPs in India which has an impressive treatment capacity of 375 MLD (under construction) wastewater and even smaller plants handling 0.35 MLD. This demonstrates the company's ability to cater to diverse wastewater treatment needs across the country. This positions C-Tech as a promising technology for efficient and sustainable wastewater management in India.

The evolving landscape of sewage treatment: A comparative analysis of prominent technologies

Effective sewage treatment is crucial for public health and environmental protection. With rising urbanisation and industrial activity, efficient wastewater treatment solutions are increasingly needed. This report examines key technologies in the global sewage treatment market, including C-Tech, and benchmarks their performance on parameters such as Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD), Total Suspended Solids (TSS), and capital investment costs. The following section will provide a structured comparison of these technologies, assessing their effectiveness and cost-efficiency.

Exhibit 5.25: Performance Comparison of Sewage Treatment Technologies, India, for 1,000 MLD plant

TECHNOLOGY	BOD/COD REMOVAL EFFICIENCY (%)	TSS REMOVAL EFFICIENCY (%)	NUTRIENT REMOVAL	LAND FOOTPRINT (HECTARES)	ESTIMATED CAPITAL (₹ CRORE)	OPERATION-AL COST (₹ PER M3)
Activated Sludge Process (ASP)	BOD: 80-90 COD: 90-95	85-90	Moderate (Additional processes needed)	10-15	200-250	3-5
Membrane Bioreactors (MBRs)	BOD: 90-95 COD: 95-98	98-99	High (Nitrogen and Phosphorus removal possible)	5-8	300-400	4-6
Trickling Filters	BOD: 80-85 COD: 85-90	80-85	Low (Additional processes needed)	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 (Nitrogen and Phosphorus removal possible)	8-12	250-300	3-5

Key considerations:

CRITERIA	HIGH	MEDIUM	LOW
BOD/COD Removal Efficiency	Excellent: Removes most organic pollutants effectively	Moderate: May require additional treatment steps for stricter regulations	-
TSS Removal Efficiency	Excellent: Removes most pollutants effectively	Moderate: May require additional treatment steps	-
Nutrient Removal	Efficiently removes nitrogen and phosphorus	May require additional processes for advanced nutrient removal	Limited nutrient removal capabilities
Land Footprint	Requires significant space	Moderate land needs	Minimal land area required

Capital Investment	Highest upfront costs	Moderate initial investment	Very low initial costs
Operational Cost	Requires significant ongoing maintenance and energy consumption	Moderate operational expenses	Low maintenance and energy requirements

Benchmarking SBR (Sequential Batch Reactor) technologies

SBR technology offers a flexible and efficient wastewater treatment approach. However, various configurations and operational modifications exist within the SBR umbrella. Here's a breakdown comparing some prominent versions:

Factors for Comparison:

Treatment Efficiency: Measured by BOD (Biochemical Oxygen Demand) and COD (Chemical Oxygen Demand) removal rates.

Nutrient Removal: The capability to remove nitrogen and phosphorus, increasingly crucial for stricter regulations.

Footprint: Land area required for the treatment system.

Operational Complexity: Level of automation and operator skill required.

Sludge Management: Methods for handling and disposing of excess sludge produced.

Exhibit 5.26: Advanced Sequencing Batch Reactor (SBR) Technologies Comparison (1000 MLD Plant)

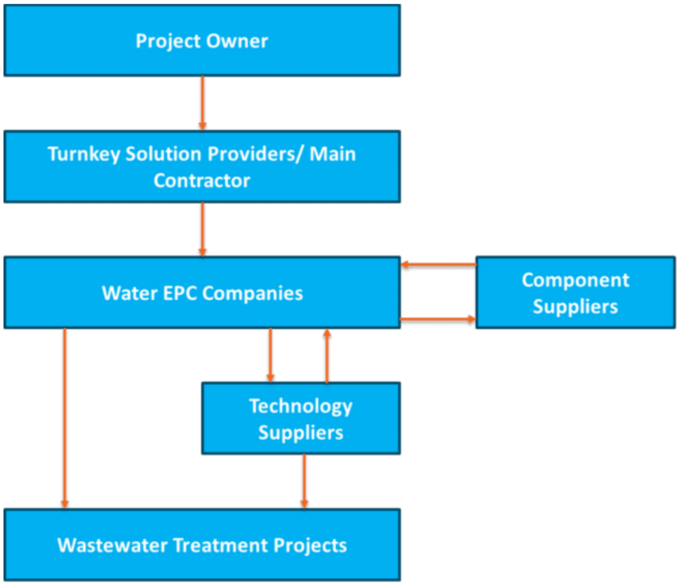
TECHNOLOGY	TREATMENT EFFICIENCY (BOD/COD) %	NUTRIENT REMOVAL	FOOTPRINT (Hectares)	OPERATIONAL COMPLEXITY	SLUDGE MANAGEMENT
Conventional SBR	BOD: 85-90 COD: 90-95	Moderate (Additional processes for N & P removal might be needed)	8-12	Moderate	Requires periodic wasting (around 5-10% of treated effluent)
Modified Ludzack-Ettinger (MLE)	BOD: 85-90 COD: 90-95	Moderate (Additional processes for N & P removal might be needed)	8-12	Moderate	Similar to conventional SBR (periodic wasting)
Intermittent Cycle Extended Aeration System (ICEAS)	BOD: 85-90 COD: 90-95	Moderate (Additional processes for N & P removal might be needed)	8-12	Moderate	Similar to conventional SBR (periodic wasting)
C-Tech (Cyclic Activated Sludge with biological selector)	BOD: 90-95 COD: 95-98	High (Nitrogen & Phosphorus removal)	5-8	High (Automated operation)	Requires periodic wasting (around 2-5% of treated effluent)

Value chain analysis of the Indian wastewater treatment sector: Key stakeholders

India's wastewater treatment sector is expanding due to rising water scarcity, stricter effluent discharge regulations, and government sanitation and infrastructure initiatives. The sector's value chain involves several key stakeholders:

Project Owners: Government agencies, industries, or private developers who identify the need for treatment plants, define project requirements, secure financing, and obtain permits.

Exhibit 5.27: Value chain analysis, India



Source: Frost & Sullivan analysis

Turnkey Solution Providers/Water EPC Companies: They handle project design, procurement, construction, and commissioning. Some also offer operation and maintenance services. They may focus on specific aspects of a project or technology.

Component Suppliers: Manufacturers and distributors of essential equipment such as pumps, valves, and clarifiers, providing critical components for treatment plants.

Technology Suppliers: Companies that develop and license wastewater treatment technologies (e.g., activated sludge, MBRs, SBRs), offering expertise in design and operation.

Wastewater Treatment Plants: The facilities where wastewater is treated to meet discharge standards and enable resource recovery.

Project owners work with turnkey providers or EPC companies to define project scope and select appropriate technology. These companies collaborate with technology and component suppliers to procure equipment and ensure regulatory compliance.

Competitive landscape

The Indian sewage water treatment sector is witnessing significant growth, driven by stricter environmental regulations, and increasing urbanization. This growth has fostered a diverse market with a range of companies offering various services.

Exhibit 5.28: Leading Sewage Technology and Equipment Suppliers, Revenue, FY2024

NAME OF COMPANY	FY2024 REVENUE IN INR MILLION
SFC Environmental Technologies	6,583.9
Thermax	93,234.6
Xylem Inc.	5,924.3
Praj Industries	34,662.8
Alfa Laval	NA
Ion Exchange	23,478.5

Note: Va Tech Wabag is not a close peer to SFC Environmental Technologies as major portion of their revenue comes from EPC

Leading industrial wastewater treatment solution

Technology landscape:

Sequencing Batch Reactor (SBR): This technology is widely used for the treatment of sewage due to its ability to achieve efficient treatment with lower sludge volume and potentially lower energy consumption compared to the other technologies. The table given below offers ballpark estimates for the Indian sewage water treatment sector.

Exhibit 5.29: Market share of leading solutions with technology market share estimates

SEWAGE WATER TREATMENT TECHNOLOGY	ESTIMATED MARKET SHARE (%)	ESTIMATED MARKET SHARE IN INCREMENTAL TREATMENT CAPACITY FY2015 – FY2021 (%)
Sequencing Batch Reactor (SBR)	30-35%	60%
Others	65- 70%	40%

Other Technologies include Activated Sludge Process (ASP), Membrane Bioreactor (MBR), Moving Bed Biofilm Reactor (MBBR), Upflow Anaerobic Sludge Blanket (UASB), Extended Aeration (EA), Fluidized Aerobic Bed Reactor (FAB), Oxidation Pond (OP), Waste Stabilization Pond (WSP), Aerated Lagoon (AL), Trickling Filter (TF), Bio-Tower, Electro Coagulation (EC), FMBR and Root Zone etc.

Overview of Blowers and Fibre Disc Filters

Efficient wastewater treatment is crucial for environmental protection and public health. Municipal STPs play a vital role in treating sewage before discharging it into water bodies. Blowers and disc filters are two key components of modern STPs, each contributing significantly to the treatment process.

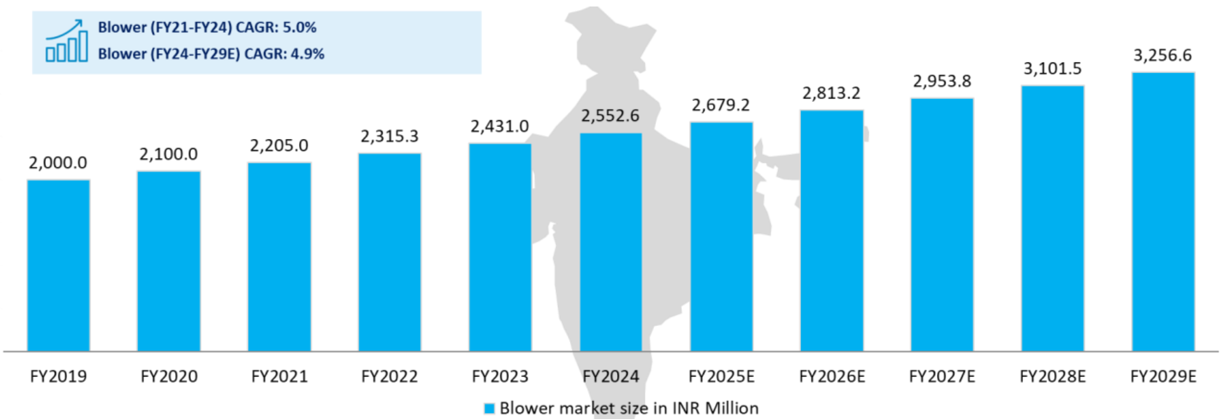
Blowers:

Function: Blowers provide the essential air supply for the biological treatment process in STPs. This aeration process allows bacteria to break down organic matter present in the sewage.

Types: There are various types of blowers used in STPs, including positive displacement blowers and centrifugal blowers. The choice depends on factors like required airflow, pressure, and energy efficiency.

Benefits in STPs: Efficient aeration is critical for maintaining healthy bacterial populations and optimizing treatment. Blowers ensure adequate oxygen supply, leading to improved effluent quality and reduced odour problems.

Exhibit 5.30: Market size of blowers in India, in INR million, FY2019 – FY2029E



Source: Primary interactions, Frost & Sullivan knowledge repository and analysis

Note: In terms of cost breakdown, blowers are estimated to contribute approximately 5% to 8% of the total STP capital cost.

Disc Filters:

Function: Disc filters are advanced filtration systems used in STPs for separating solids from the treated wastewater.

Components: It consists of a series of discs that rotate partially submerged in the wastewater. Solids get captured between the discs, and the rotation helps remove them for further processing.

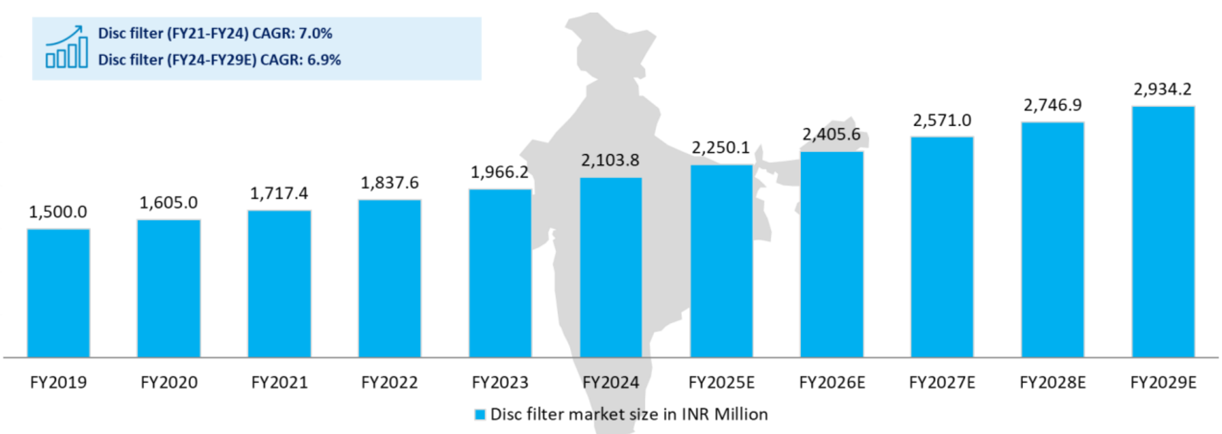
Benefits in STPs: Disc filters offer several advantages over conventional filtration systems like sand filters. They have a smaller footprint, require less maintenance, and provide superior effluent quality with lower solids content.

Combined Application in Municipal STPs:

Blowers and disc filters work together in STPs to achieve efficient wastewater treatment:

Blowers provide aeration: This creates an oxygen-rich environment for bacteria to break down organic pollutants in the sewage.

Exhibit 5.31: Market size of disc filters in India, in INR million, FY2019 – FY2029E



Source: Primary interactions, Frost & Sullivan knowledge repository and analysis

Disc filters remove solids: After biological treatment, disc filters effectively remove any remaining solids from the treated wastewater, ensuring it meets the required discharge standards.

Note: In terms of cost breakdown, disc filters are estimated to contribute approximately 5% to 8% of the total STP capital cost.

Expanding the Reach: Applications of Blowers and Disc Filters Beyond Municipal STPs

While blowers and disc filters play a critical role in municipal Sewage Treatment Plants (STPs), their capabilities extend far beyond treating wastewater from households. These technologies offer efficient solutions for various other segments with similar treatment requirements.

Industrial Wastewater Treatment: Industries like textiles, chemicals, and food processing use blowers for aeration and disc filters to remove pollutants and solids for compliant discharge.

Aquaculture: Blowers maintain oxygen levels, and disc filters remove waste, ensuring a clean environment for aquatic life.

Food & Beverage Processing: Blowers break down organic matter, while disc filters manage residual solids for wastewater treatment.

Other Applications: These technologies support water reuse, environmental remediation, and wastewater treatment in pulp & paper processing.

Market presence and strategic focus of SFC Environmental Technologies

SFC has catered to a customer base across diverse end markets with footprints across various geographies, including Europe, the Middle East, Africa, and Southeast Asia. Contributing to this global growth, SFC has implemented many large-scale wastewater treatment plants utilizing SBR/C-TECH technology around the world, making it one of the leading integrated environmental companies.

The municipal wastewater treatment market features prominent players like SFC Environmental Technologies, which provides efficient technologies and comprehensive engineering solutions in the field of wastewater treatment. The Company mainly provides technology for wastewater treatment (predominantly STPs) plant projects. SFC's focus and expertise in SBR position it as a leading player, with over 80% market share in the SBR segment as of September 30, 2024. With 621 installations in the wastewater treatment segment, particularly in sewage treatment plants (STPs), SFC's technologies facilitate the treatment of 14,812.86 million litres per day (MLD) of wastewater.

SFC's relevant industry experience, technical expertise, product portfolio driven by manufacturing capabilities and exclusive tie-ups, and market presence position the company well to capitalize on the upsurge in the tertiary wastewater treatment (TWW) market. The entire value chain is addressed, from upgrading existing wastewater treatment plants to meet stricter regulations and enhancing effluent quality, to building new treatment facilities, especially in areas experiencing rapid growth. The Company provides advanced treatment of sewage and effluents using C-Tech solutions.

SFC currently produces its ultrafiltration membrane, C-MEM™, at its Czech facility, which is used for tertiary wastewater treatment. The Company recently entered into an exclusive collaboration agreement with a leading ultrafiltration technology company for the distribution of its UF membranes in tertiary wastewater treatment projects in India. This forward integration enables the Company to offer a complete suite of water treatment solutions, from initial sewage treatment to advanced tertiary processes, thereby enhancing its value proposition and market reach.

Additionally, the Company markets and sells Fibre Disc Filters (FDF) in India, procured from a South Korean company through an exclusive agreement. FDF is an industrial filtration technology that enables the treatment of water for reuse purposes. SFC also provides equipment and solutions for sewage sludge management – a potential source of additional value through resource recovery.

This comprehensive approach, encompassing design, manufacturing, installation, and potential operation and maintenance, makes SFC a vital partner in unlocking the immense economic potential of treated wastewater reuse in India.

OPPORTUNITY LANDSCAPE OF INDIA'S MUNICIPAL SOLID WASTE MANAGEMENT MARKET

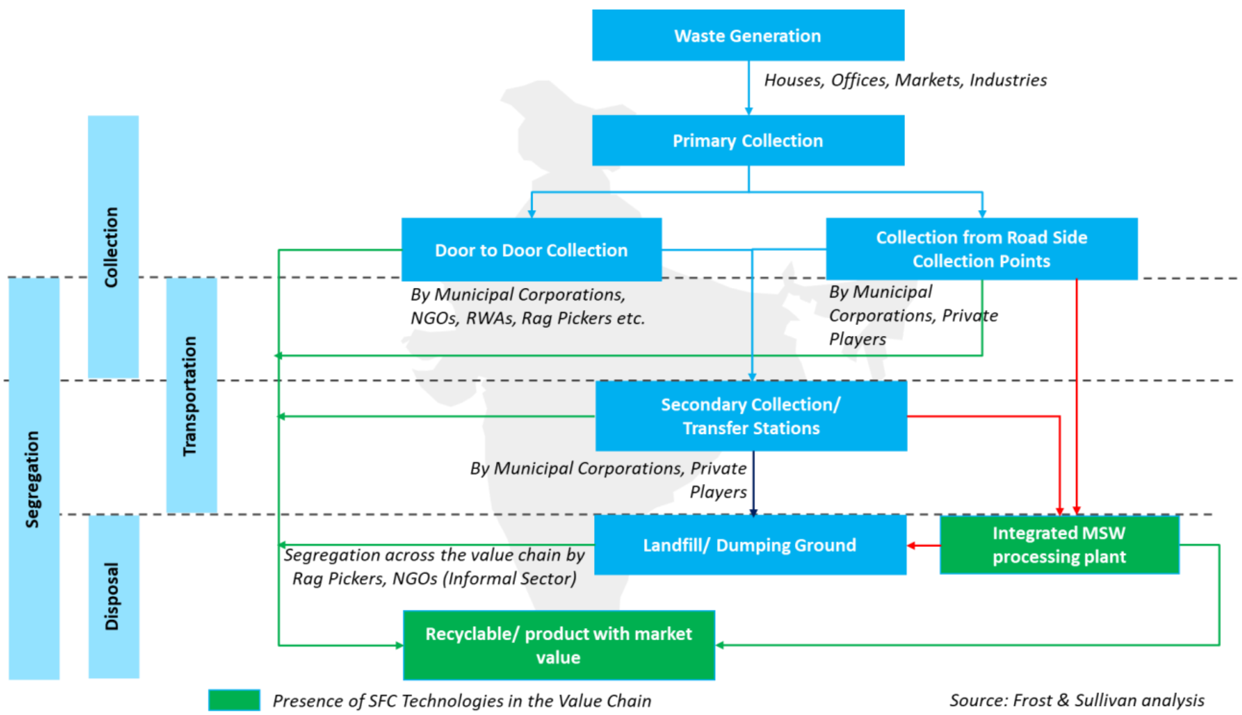
Overview of Indian Municipal Solid Waste management market

The solid waste management sector in India has experienced notable growth in recent years, primarily propelled by the government's emphasis on cleanliness and sanitation. The surge in population and rapid urbanization has led to a substantial rise in waste generation, necessitating efficient and sustainable waste management practices. The Swachh Bharat Abhiyan launched by the Government has significantly contributed to the sector's momentum, resulting in heightened demand for waste management solutions.

Municipal Solid Waste management value chain in India

The Municipal Solid Waste (MSW) management value chain begins with waste generation by households, industries, and institutions. This waste is collected by municipalities or private entities and transported to treatment facilities or landfills. At treatment facilities, organic waste is converted into compost or biogas, recyclables are processed, and non-recyclable waste is treated through incineration or landfilling. Government bodies, waste collectors, technology providers, and recycling companies are the key stakeholders in this value chain.

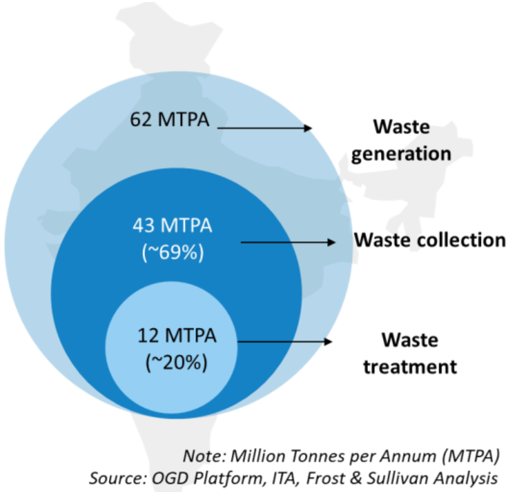
Exhibit 6.1: Municipal Solid Waste Management Value Chain in India



Solid waste generation and processing across various states in India

India generates over 62 million tons (MT) of waste annually with an average annual growth rate of 4%, of which 43 MT gets collected, with 12 MT (~20%) being treated before disposal and the remaining 31 MT (~50%) discarded in waste yards. The 62 MT of waste generated annually includes 7.9 MT of hazardous waste, 5.6 MT of plastic waste, 1.5 MT of e-waste, and 0.17 MT of biomedical waste.

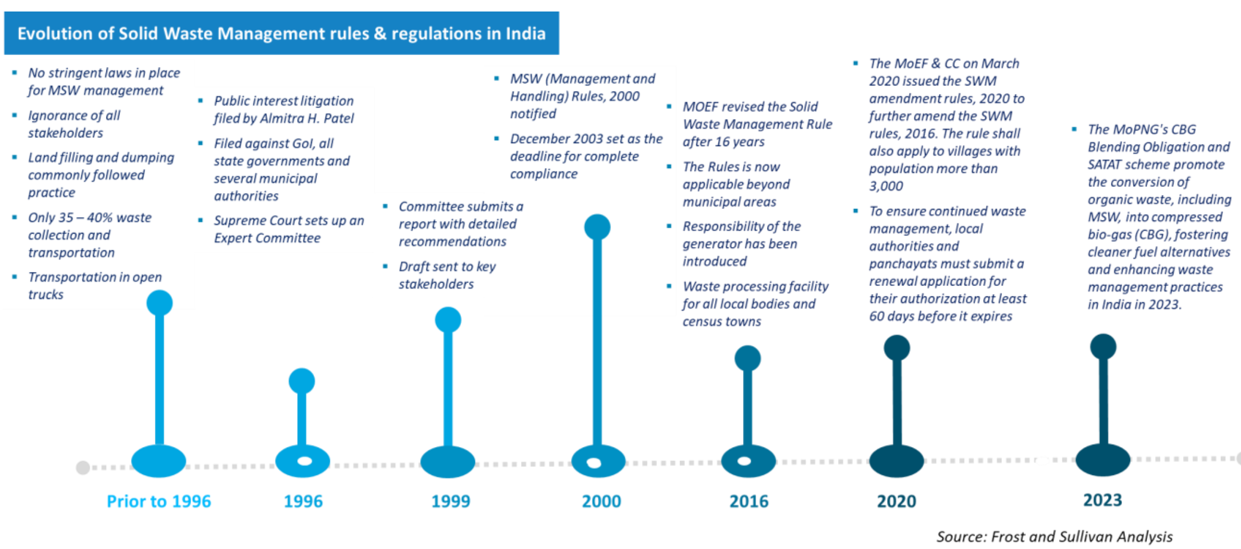
Exhibit 6.2: Waste generation, collection, and treatment volume, Tons per Annum (TPA), India



The Swachh Bharat Mission-Urban (SBM-U), launched in October 2014, aims for a garbage-free India through 100% source segregation, door-to-door collection, and scientific waste management, including controlled landfill disposal and dumpsite remediation. The Central Pollution Control Board (CPCB) projects annual waste generation will reach 165 million tons by 2030.

Evolution of solid waste management rules and regulations in India

Exhibit 6.3: Evolution of solid waste management rules in India



Salient features of Solid Waste Management Rules, 2016

FEATURES	DESCRIPTION	REASONS AND LIKELY IMPLICATION
SEGREGATION OF MUNICIPAL SOLID WASTE	The SWM 2016 emphasizes source segregation, making it mandatory to separate municipal solid waste into wet and dry categories. This applies throughout the entire waste management value chain, including collection, transportation, storage, and ultimately, the treatment method used.	SWM companies need to collect segregated waste, add compartmented or separate vehicles for dry and wet waste as well as deploy bio-methanation/ composting for wet waste and WTE only for dry waste, post recovery of recyclables.

PROMOTION OF MARKETING AND UTILIZATION OF COMPOST	The Department of Fertilizers shall ensure promotion of compost with chemical fertilizers in the ratio of 3 to 4 bags: 6 to 7 bags by the fertilizer companies to the extent compost is made available. The Ministry of Agriculture shall also facilitate manufacturing and sale of compost for usage in farmlands and issue suitable usage guidelines.	This will make the compost plants economically viable and improve the gainful utilization of waste.
PROMOTION OF WASTE TO ENERGY PLANT	The Ministry of Power shall fix tariff or charges for the power generated from the WTE plants and ensure compulsory purchase of power by DISCOMs from these plants. MNRE shall facilitate infrastructure creation for WTE plants and provide appropriate subsidy or incentives for such Plants. All industrial units using fuel and located within 100 km from a RDF plant to replace at least 5% of their fuel requirement by RDF so produced. Non-recyclable waste having calorific value of 1,500 Kcal / Kg or more shall not be disposed and to be utilized for energy generation. High calorific wastes shall be used for co-processing in cement or thermal power plants.	This will make the waste to energy plants economically viable. Usage of RDF by nearby industries will support the WTE and reduce the consumption of fossil fuels. WTE plants are however commercially viable for more than 600 TPD - most of the tier 2 cities would probably need to go for bio-methanation for the wet fraction and RDF disposal to Cement plants as RDF generation is 30% (500 TPD MSW plant will produce 150 TPD of RDF, which is not enough for a WTE plant).
CRITERIA AND STANDARDS FOR WASTE TREATMENT FACILITY AND POLLUTION CONTROL	The SWM Rules 2016 provide for detailed criteria for setting up of solid waste processing and treatment facilities. Emission standards are completely amended and include parameters for dioxins, furans, reduced limits for particulate matters from 150 to 100 and now 50. Compost standards have been amended to align with Fertilizer Control Order.	The criteria and buffer zone for waste treatment and landfill facility and stringent standards will facilitate smooth functioning of the facility without any pollution issues.
TIMEFRAME FOR IMPLEMENTATION	The local bodies and other concerned authorities would be responsible for implementation of these rules. Setting up solid waste processing facilities by all local bodies having 0.1 Mn or more population - within two years; local bodies and census towns below 0.1 Mn population – within 3 years. Setting up of common or stand-alone sanitary landfills by or for all local bodies (0.5 million or more population) and census towns (under 0.5 million population) – within three years. Bioremediation or capping of old and abandoned dump sites - within five years.	This will ensure proper landfills and waste processing facilities across the country even in smaller towns.

Prominent technologies for energy generation from Municipal solid wastes

FEATURES	DESCRIPTION	EQUIPMENT USED FOR POWER GENERATION
Anaerobic Digestion/ Bio-methanation	Organic fraction of the waste is processed through Biogas Digester. Biogas Digester produces methane rich biogas and effluent. Biogas can be used either for cooking / heating application, for power generation or for CBG/ Bio-CNG.	Dual fuel / Gas Engine LP Gas Turbine Steam Turbine
Combustion / Incineration	Waste is directly burned in presence of excess air (oxygen) at high temperatures (about 1,200o C), liberating heat energy, inert gases, and ash. Combustion results in transfer of 65% - 80% of heat content of organic matter. The hot air thus produced is used to generate steam and power. Combustion / Incineration, however, is not suitable for all types of organic waste, especially when considering environmental and regulatory factors.	Steam Turbine
Densification / Pelletization / Refused Derived Fuel (RDF)	Segregating, crushing, and drying of inorganic material from MSW into fuel pellets is known as Refused Derived Fuel (RDF). The fuel is then used in Boilers for energy generation. Balance waste in the dry fraction (after recovery of recyclables), often referred to as refused derived fuel ("RDF"), has a calorific value approximately between 3,000 to 3,500 Kcal/kg, making it a viable alternate fuel source for energy production or as a fuel (as replacement to coal) in cement plants.	Steam Turbine

Based on discussions with the industry stakeholders, majority of the WTE plants in the country are based on incineration technology. There would be a handful of plants that are using Bio-methanation to generate energy from MSW. Pertinent to note that, the SWM Rules 2016, considering environmental impacts, provides for Bio-methanation, microbial composting, vermi-composting, anaerobic digestion or any other appropriate processing for bio-stabilisation of biodegradable wastes.

Waste to energy processes including refused derived fuel for a combustible fraction of waste or supply as feedstock to solid waste-based power plants or cement kilns.

The SWM Rules 2016 highlights the need for and resultantly provides huge future potential for energy generation based on bio-methanation/anaerobic digestion of biodegradable wastes.

Overall potential of energy generation from Municipal Solid Waste in India

With its expanding population and rapid urbanization, India has experienced a significant rise in municipal solid waste (MSW), posing notable environmental challenges.

Exhibit 6.4: Energy generation potential from Urban and Industrial organic waste in India

Sl No.	Sectors	Energy potential – MW
1	Urban Solid Waste	**1247**
2	Cattle farm (solid waste)	**862**
3	Distillery (liquid waste)	**781**
4	Vegetable Raw(solid waste)	**579**
5	Poultry (solid waste)	**462**
6	Urban Liquid waste	**375**
7	Slaughterhouse (liquid waste)	**263**
8	Paper (liquid waste)	**254**
9	Fruit Raw (solid waste)	**203**
10	Sugar press mud (solid waste)	**200**
11.a	Others (Solid Waste)*	**100**
11.b	Others (Liquid Waste)*	**364**
		5,690

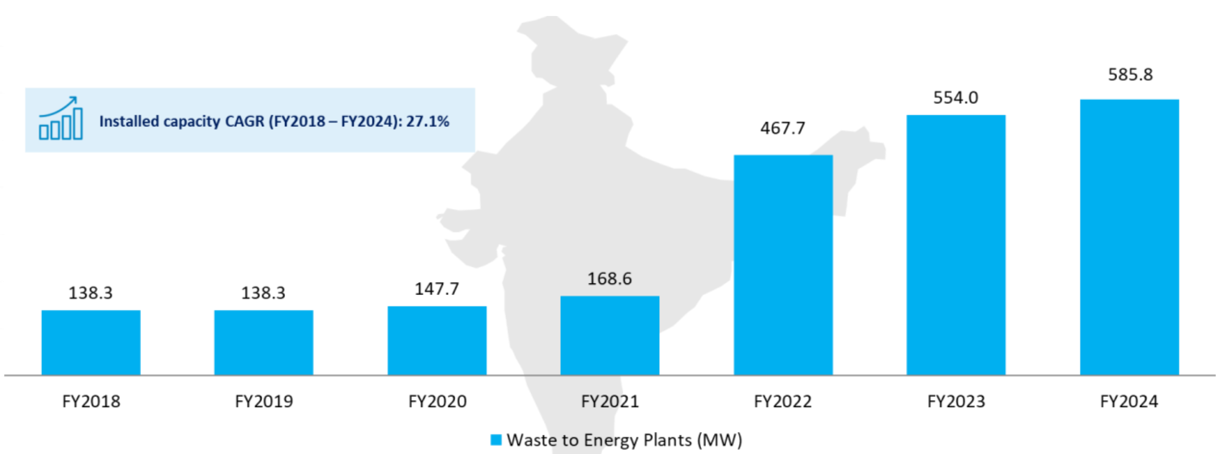
Note: Million Tonnes per Annum (MTPA)
Source: MNRE and Frost and Sullivan Analysis

As per the Ministry of New and Renewable Energy, the total estimated energy generation potential from urban and industrial organic waste in India is approximately 5690 MW.

Installed capacity of Waste to Energy plants in India and historical growth

The WTE sector in India is in focus since last 7 – 8 years due to growing challenges related to waste management and need for energy through sustainable sources thereby ensuring the country's energy security. Installed capacity of WTE plants in the country has increased by 4.2 times between FY2018 and FY2024 – from 138.3 MW in FY2018 to 585.8 MW in FY2024. These WTE plants are both grid-connected and off-grid plants and they generate power from MSW and Industrial wastes. Based on discussions with the stakeholders, approximately 25 – 27 MSW based WTE plants are operational in the country at the end of FY2024 and installed capacity of these plants are approximately 250 MW.

Exhibit 6.5: Installed capacity of Waste to Energy plants in India, in MW, FY2018 – FY2024



Source: CEA, Frost & Sullivan analysis

Reviving India's Waste-to-Energy (WTE) sector presents numerous advantages, including diminished dependence on fossil fuels, a broader energy portfolio, and bolstered energy resilience. Additionally, WTE facilities skillfully handle solid waste by easing pressure on scarce landfill capacity and tackling the escalating waste production issue. These facilities also foster employment prospects, bolstering the regional economy and livelihoods. By harnessing latent waste resources, curbing greenhouse gas (GHG) emissions, mitigating health hazards, and combating climate change, WTE initiatives resonate with Sustainable Development Goals and promote a circular economy.

Leading developers of Waste to Energy plants in India and their portfolio

The Indian Waste-to-Energy (WTE) market is fragmented, with key players including SFC Environmental Technologies, RE Sustainability, JITF Urban Infrastructure, Abellon Clean Energy, and Antony Lara Renewable Energy. These companies does processing, and recycling of waste and few of them also does collection and transportation. Out of them, RE Sustainability, JITF, and Abellon focus solely on incineration. While majority of the companies use incineration to produce electricity from wastes, SFC Environmental Technologies is the only company to use bio-methanation technology to produce Biogas/ electricity, avoiding harmful emissions and ash. SFC Environmental Technologies is among the select few players who have leveraged global technology in the MSW space and transformed it to be suitable for Indian needs. The key features of its MSW plant at North Goa are as under:

Ability to achieve biogas yield more than the industry average. The Company has achieved an average biogas yield of more than 150 Nm^3/ton of organic waste in the North Goa Plant in the last financial year, higher than the industry average of 80-100 Nm^3/ton.

By converting the digestate formed after the fermentation of organic fraction into high-quality compost, the process improves the marketability and price realization of the compost produced.

The Company has capability to recover higher proportion of recyclables than the industry average through their proprietary municipal solid waste processes

Balance waste in the dry fraction (after recovery of recyclables), often referred to as refused derived fuel ("**RDF**"), has a calorific value approximately between 3,000 to 3,500 Kcal/kg, making it a viable alternate fuel source for energy production or as a fuel (as replacement to coal) in cement plants.

SFC is among the market leaders in the MSW space basis their operational results and comprehensive solutions. The company currently runs a 250 TPD Municipal Waste to Biogas plant in North Goa and a 125 TPD plant in South Goa. With around 8 years of operation, the plant in North Goa holds the distinction of being one of the longest-operating integrated SWT-based biogas plants in India.

The plant deploys the Company's proprietary OREX technology. OREX is SFC's proprietary innovation, designed to efficiently separate biodegradable organics from inorganic materials and lignocellulosic fibres from mixed municipal waste. OREX automatically segregates mixed municipal waste into organic (wet) and inorganic (dry) fractions in a single step reducing the need for manual oversight, translating into lower ongoing operational costs and promotion of reuse.

OREX is a multi-stage system designed to extract maximum organics from the mixed waste and preparation of de-gritted organic slurry for downstream digesters resulting into homogenous pulped slurry having >98% biodegradable material, largely free of contaminants and non-biodegradable fractions which enhance the bio-methanization process inside digesters. This technology is particularly adept at processing the typical municipal solid waste found in India, which characteristically includes a diverse mix of bio-waste, inerts, textiles, glass, wood, metal, rubber, plastic, paper, and miscellaneous items.

Exhibit 6.6: Profile of leading Waste to Energy project developers in India, FY2024

			Waste Processing Technology					
Company Name	Year of incorporation	Waste C&T	CBG/Bio-methanation	Incineration	Inorganic waste recycling	Waste Handling Capacity (TPD)	WTE Capacity (MW)	States where operational
SFC Environmental Technologies	2005	✗	✓	✗	✓	350	2.17	South and North Goa
RE Sustainability	1994	✓	✗	✓	✓	13,500	68.5	13 states across India
Ecogreen Energy	2011	✓	✗	✓	✓	3,750	55 (proposed)	MP, UP, Haryana
JITF Urban Infrastructure	2007	✓	✗	✓	✓	~2,000	23	Delhi, Punjab
Abellon CleanEnergy	2008	✓	✗	✓	✓	3,100	Current - 45 Upcoming - 65	Gujarat
Antony Lara Renewable Energy	2018	✓	✗	✓	✓	1,000	14	Maharashtra, UP

Note: (SFC Data - Waste Handling capacity - 350 TPD, with an additional handling capacity of 75 TPD resulting in our aggregate treatment capacity of up to 425 TPD)

Source: Annual Report, Frost & Sullivan Research and analysis

The organic fraction, high in biodegradable matter and moisture, enhances the bio-methanation process. The inorganic fraction, or refuse-derived fuel (RDF), includes materials like plastics and paper. After removing metals and heavy materials, RDF is refined into high-quality fuel with a calorific value of 3,000 to 3,500 Kcal/kg. This underscores the company's reliability, trustworthiness, and ability to consistently deliver value, solidifying the company's position as a preferred partner in the industry. The company benefits from a strong brand reputation that has been cultivated over more than 19 years of industry presence.

Key growth drivers of WTE sector in India

Increasing waste generation and waste management expected to drive the market

India's rapid urbanization is increasing waste generation, with organic waste making up over 50% of the total. Urban growth and high population densities are creating large landfills nearing capacity. Recycling occurs through formal and informal channels, causing environmental issues such as pollution from e-waste and improper dumping.

Government initiatives and policies to strengthen Waste to Energy Programme

The National Bioenergy Programme promotes waste-to-energy plants through the Waste to Energy (WTE) Programme, with a budget of INR 6,000 million from FY2022 to FY2026. The programme provides financial support for Biogas, Bio CNG, and power plants using urban, industrial, and agricultural waste.

The programme allows Viability Gap Funding (VGF) up to INR 2,000 million and include two sub-schemes:

Infrastructure Projects: Supports water supply, solid waste management, and wastewater treatment, offering up to 30% of the total project cost as capital grant. Additional funding can cover up to 30% of the project cost, with projects required to recover 100% of operational costs.

Demonstration/Pilot Projects: Provides up to 40% of the total project cost as capital grant and 25% of the net present value of O&M costs for the first five years. Additional funding can cover up to 40% of the project cost and 25% of O&M costs.

Only alternative to landfilling

Landfills are considered the least desirable option for waste management due to various issues, including the emission of greenhouse gases, the requirement for large areas of land, and the potential for pollutants to contaminate soil and groundwater.

List of notable, successful, and currently operating WTE plants in India

Waste-to-energy technologies transform waste materials into various forms of energy, such as electricity, heat, or fuel, through processes like combustion, gasification, or anaerobic digestion. These technologies provide a dual benefit: they process waste that would otherwise go unused, converting it into usable energy, and they significantly reduce the volume of waste sent to landfills, thereby mitigating environmental impact.

Furthermore, waste-to-energy plants offer the added advantage of recovering valuable resources, such as metals and plastics, during the treatment process. These materials can be extracted, recycled, and reintroduced into the economy, supporting circular economy initiatives and reducing the need for virgin resource extraction. By integrating energy production with resource recovery, waste-to-energy technologies present a sustainable solution for waste management and energy generation.

Exhibit 6.7: List of notable, successful, and currently operating WTE plants in India

City	Commencement Year	Location	Capacity (MW)	Developer
North + South Goa	2014	Saligoan and Cacora	1.37 MW + 0.8 MW	SFC Environmental Technologies
Delhi	2016	Narela-Bawana	24.0	Ramky Enviro Engineers
Hyderabad	2012	Jawaharnagar	20.0	Ramky Enviro Engineers
Delhi	2012	Okhla	16.0	Jindal ITF
Delhi	2016	Gazipur	12.0	IL&FS - EverSource Capital will take over the Plant
Jabalpur	2018	Kathonda	11.5	Essel Infra; The plant will be taken over by Averda India
Hyderabad	2018	Bibinagar	11.0	RDF Power Projects Limited (IL&FS is yet to finalize the successor)
Solapur	2013	Not Known	4.0	Organic Recycling Systems
Shimla	2017	Bhariyal	1.7	Elephant Energy

Source: Frost & Sullivan research and analysis

Environmental issues and operational challenges

Low calorific value of solid waste in India due to improper segregation

In India, mixed waste has a calorific value of around 1,500 kcal/kg, insufficient for power generation compared to coal's 8,000 kcal/kg. Biodegradable waste, high in moisture, is more suited for composting. Segregated and dried non-recyclable waste has a higher calorific value of 2,800 to 3,500 kcal/kg, suitable for power generation. Proper segregation, ideally at the source, is crucial for meeting this calorific requirement.

High costs of energy production

Power generation from waste costs about INR 7-8 per unit, while traditional sources like coal and solar provide power at INR 3-4 per unit. To be competitive, waste-to-energy power prices need to be halved. Despite this, the primary goal of waste-to-energy plants is improving health, hygiene, and environmental conditions. Developers should receive adequate compensation through justified tariffs, and subsidies for capital expenditure could boost the sector. Operational costs can be offset by selling CBG and recyclables.

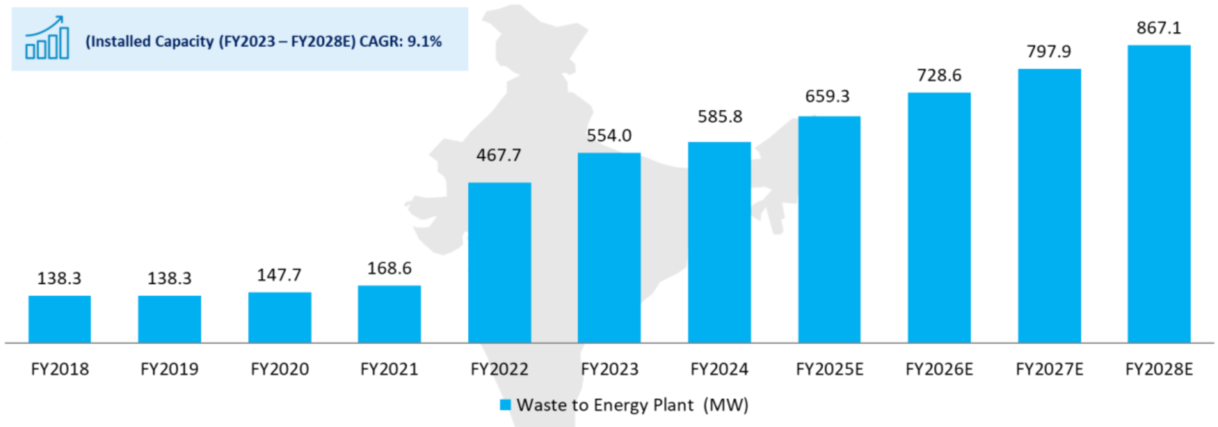
Improper assessments and unfavorable on-ground conditions

Many waste-to-energy projects face challenges due to poor assessments, unrealistic projections, and on-site issues. Waste volumes fluctuate due to seasonal changes, rainfall, and transient populations. These projects should use only non-recyclable dry waste, about 25% of total waste, which must be segregated to ensure effective energy generation. Successful operation depends on efficient waste collection, segregation, and processing. Issues at processing plants can increase moisture and reduce calorific value, affecting power generation efficiency.

Expected in installed capacity of WTE plants in the country

Based on discussions with the stakeholders and as per ongoing projects in the country, installed capacity of WTE projects in the country is expected to grow at approx. 9.1% CAGR to reach nearly 870 MW by FY2028. MNRE projected that India's Waste-to-Energy capacity to reach 1,075 MW by 2031 and 2,780 MW by 2050.

Exhibit 6.8: Growth forecast of WTE plants in India, MW, FY2018 – FY2028E



Source: Stakeholder Consultations, CEA, and Frost and Sullivan Analysis

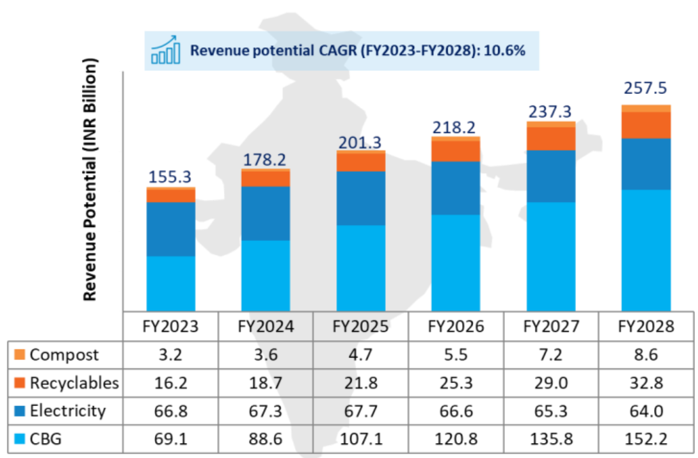
Revenue potential from MSW (CBG, Electricity, Compost, and Recyclables)

Municipal Solid Waste (MSW) has multiple revenue potentials from sales of Compressed Biogas, Electricity, Recyclables, and Compost. Based on solid waste generated in the country in FY2023 and subsequent collection and processing, revenue potential from the above-mentioned businesses were INR 155.3 billion. The potential is likely to increase to INR 257.5 billion by FY2028, growing at a CAGR of 10.6%.

Exhibit 6.9: Revenue potential from MSW related businesses, India, INR billion, FY2023-FY2028

Key assumptions for calculation of potential revenue:

Parameters	FY23	FY28E
MSW Generation (TPD)	153,818	187,143
MSW collection %	96%	100%
MSW treatment %	77%	95%
Wet waste as % waste collected	50%	50%
CBG volume (Nm³ per TPD)	100	120
CBG price including GST (Rs./Kg)	57	75
Compost as % of wet waste	6%	7%
Compost price (Rs./Kg)	2.0	3.0
Recyclables as % of dry waste	10%	15%
Recyclables price (Rs./kg)	6.0	8.0
MW / '100 TPD RDF	2	2
Electricity price (Rs./Kg)	7.5	7.5



Source: Stakeholder Consultations, Frost and Sullivan Analysis

List of announced, planning, and under-construction projects

SL. NO.	MUNICIPAL CORPORATION	LOCATION	CAPACITY (MW)	CURRENT STATUS	DEVELOPER
1	Ahmedabad Municipal Corporation	Ahmedabad Gujarat	15.0	Under Construction	JITF Power Infra

2	Kozhikodde Corporation	Kozhikode Kerala	6.0	Under Construction	Zonta Infratech Private Ltd
3	Municipal Corporation of Greater Mumbai	Mumbai Maharashtra	4.0	Under Construction	Municipal Corporation of Greater Mumbai
4	Gurgaon Municipal Corporation	Gurgaon Haryana	25.0	Under Construction	Ecogreen Energy
5	Bathinda Municipal Corporation	Bhatinda Punjab	8.0	Under Construction	Jindal ITF
6	Municipal Corporation Mohali	Mohali Punjab	7.0	Under Construction	NTPC
7	Muzaffarnagar Municipal Corporation	Muzaffarnagar Uttar Pradesh	30.0	Under Construction	NA
8	Kolkata Municipal Corporation	Kolkata West Bengal	22.5	Under Construction	NA
9	Pune Municipal Corporation	Pune Maharashtra	7.5	Under Construction	NA
10	Patna Municipal Corporation	Patna Bihar	15.0	Planning	NA
11	Roorkee Municipal Corporation	Roorkee Uttarakhand	25.0	Planning	BSR Green Power
12	Bhopal Municipal Corporation	Bhopal Madhya Pradesh	23.0	Planning	Essel Infra
13	North Delhi Municipal Corporation	Delhi	15.0	Planning	Developer yet to be decided (Re-Tendering)
14	Surat Municipal Corporation	Surat Gujarat	14.0	Planning	NTPC
15	Vadodara Municipal Corporation	Vadodara Gujarat	14.9	Planning	Abellon Clean Energy
16	Ranchi Municipal Corporation	Ranchi Jharkhand	11.0	Planning	Essel Infra
17	Munnar & Devikulam Panchayat	Munnnar Kerala	10.0	Planning	A G Dauters Waste Management
18	Jaipur Municipal Corporation	Jaipur Rajasthan	8.0	Planning	Jindal Urban Infrastructure
19	Meerut Municipal Corporation	Meerut Uttar Pradesh	12.0	Planning	Organic Recycling Systems
20	Rampur Municipal Corporation	Rampur Uttar Pradesh	8.0	Planning	NA
21	Bruhat Bangalore Mahanagara Palike	Bengaluru Karnataka	40.0	Planning	NEG / Firm Green
22	Dhanbad Municipal Corporation	Dhanbad Jharkhand	6.0	Planning	Ramky Enviro Engineers

23	Allahbad Municipal Authorities	Allahabad Uttar Pradesh	6.0	Planning	NA
24	Jodhpur Nagar Nigam	Jodhpur Rajasthan	6.0	Planning	Jindal Urban Infrastructure
25	Guwahati Municipal Corporation	Guwahati Assam	5.0	Planning	Guwahati Waste Management Company (Ramky)
26	Srinagar Municipal Corporation	Srinagar Jammu & Kashmir	5.0	Planning	Highland Automobiles, Key Stone Energy and Astrix JV
27	Greater Chennai Corporation	Chennai Tamil Nadu	32.0	Planning	Not Appointed
28	Greater Chennai Corporation	Chennai Tamil Nadu	26.0	Planning	Not Appointed
29	Nagar Nigam Ghaziabad	Ghaziabad Uttar Pradesh	60.0	Announced	NA
30	Ludhiana Municipal Corporation	Ludhiana Punjab	8.0	Announced	A2Z Company
31	Coimbatore Municipal Corporation	Coimbatore Tamil Nadu	8.0	Announced	Not Appointed
32	Kota Nagar Nigam	Kota Rajasthan	5.0	Announced	Not Appointed
33	Gorakhpur Jal Board	Gorakhpur Uttar Pradesh	5.0	Announced	Not Appointed
34	Greater Warangal Municipal Corporation	Warangal Telangana	3.0	Announced	Not Appointed

The future of Waste-to-energy conversion looks promising with several factors such as integration with existing RE system, advancement in technology, and policy support are driving the growth of the sector. Generating energy from waste is a significant step in the quest for sustainability. By transforming waste into valuable energy, dual challenges of waste management and energy production can be addressed. Advances in chemical engineering have been instrumental in developing efficient and environmentally friendly WTE technologies. Innovative Waste-to-Energy Methods will play an increasingly important role in building a sustainable future as we continue to innovate and improve these processes.

OPPORTUNITY LANDSCAPE OF INDIA'S BIOGAS MARKET

Role of Biogas in India's CNG/PNG ecosystem

India's energy landscape is shifting towards cleaner alternatives, with biogas emerging as a key player in enhancing the CNG and PNG ecosystem. Once considered waste, biogas, rich in methane, is now valued as a renewable resource. By converting organic matter into clean fuel, biogas can be integrated into existing CNG and PNG infrastructure, reducing reliance on imported fossil fuels and supporting a sustainable energy future for India.

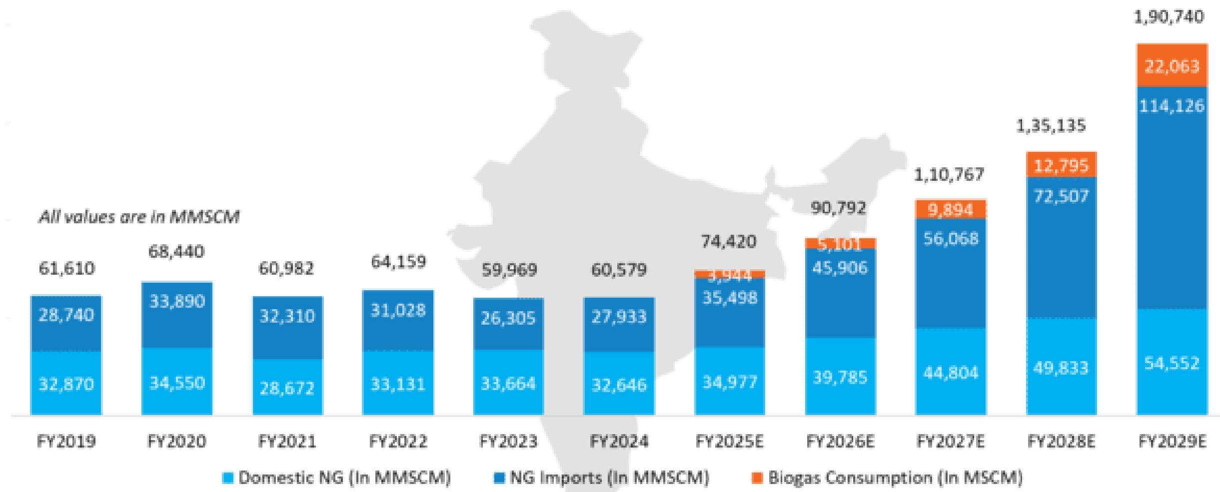
Biogas as a biofuel in India's decarbonization journey

India's shift towards renewable energy is critical for reducing carbon emissions. Biogas plays a key role with its potential to cut fossil fuel use by 6% by 2030. It contributes to emission reduction through methane mitigation, circular economy practices (using digestate as a natural fertilizer), clean energy substitution, and the use of biogenic CO2 for renewable processes.

Biogas can help in reducing India’s LNG import

Biogas is set to significantly reduce India's reliance on imported LNG, with consumption projected to rise to 22,063 MMSCM by FY2029, potentially saving substantial import costs. Compressed Biogas (CBG) could decrease natural gas consumption by 11.5–12% by 2029.

Exhibit 7.1: Biogas domestic gas volume, imports, and consumption, FY2019 – FY2029E



Source: Institute for Energy Economics & Financial Analysis; Frost & Sullivan Analysis

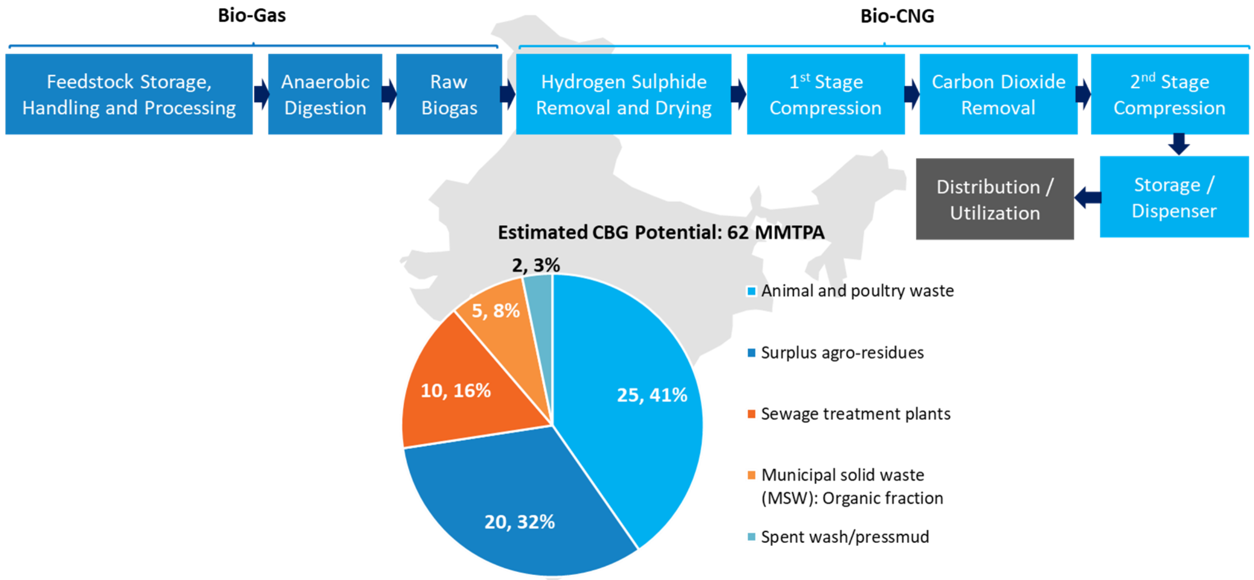
Reduce pollution and its effects that are generated from burning biomass

Biomass burning is a major source of air pollution and greenhouse gases, contributing to thousands of premature deaths annually, especially in North India. Converting crop residues into biogas can address this issue, and government initiatives like co-firing biomass in power plants have already reduced CO2 emissions by 1.2 Lakh Metric Tons.

Potential for Bio-CNG generation in the country from Agro-waste

India's diverse biogas feedstocks include animal waste, agricultural residue, municipal solid waste (MSW), and sewage sludge, with a total Compressed Biogas (CBG) potential of 62 MMTPA.

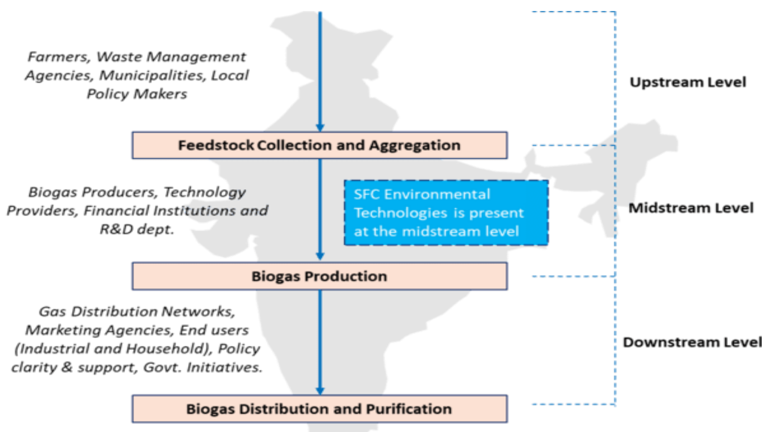
Exhibit 7.2: Bio-CNG generation potential from various feedstocks



Source: Petroleum Research, Vol 7, Issue 3; Frost & Sullivan Analysis

Value Chain of Indian Biogas Market

The Indian biogas market includes feedstock collection, processing, production, and distribution. Key players are government bodies, state departments, cooperatives, private firms, and renewable energy agencies. Biogas is vital for energy security, entrepreneurship, and local economies.



Source: Frost & Sullivan research and analysis

The Indian government supports the sector with financial aid for biomass machinery and mandates CBG blending in City Gas Distribution pipelines from FY2026, driving demand for biogas production technologies.

SFC Environmental Technologies Ltd. being a provider of such technology used in midstream level of biogas production is one of the leading integrated municipal solid waste-based biogas developer in India and is poised to be a key beneficiary of government initiative of blending of biogas. With over 8 years of operation, SFC's plant in North Goa holds the unique distinction of longest operating integrated MSW based biogas plant in India.

Exhibit 7.4: Roles and responsibilities of key stakeholders

STAKEHOLDER	ROLES	RESPONSIBILITIES

Government Agencies (e.g., MNRE) and Policy Makers	Policy Formulation and Promotion	Formulate and implement policies, provide financial assistance, promote biogas use, and create a conducive environment for the biogas industry
Training and Development Centers (e.g., BDTCs) and Educational Institutions	Training and Development	Provide training, development programs, and research for biogas production
Promotional Bodies (e.g., KVIC, NDDB)	Promotion	Promote biogas plants among rural communities and the use of waste for biogas production
Biogas Producers and Companies	Production and Distribution	Involved in various stages of the biogas value chain, from feedstock collection, processing, production, to distribution
Distribution Entities (e.g., OMCs)	Distribution	Distribute biogas using their infrastructure and network
Technology Suppliers	Technical Support	Provide technical support, specialized equipment, and solutions for biogas production
Financial Agencies	Financial Support	Provide financial backing, approve loans for biogas projects, and invest in the biogas sector

Government policies driving the growth of the Indian CBG sector

Following are various government initiatives to promote consumption of CBG in the country:

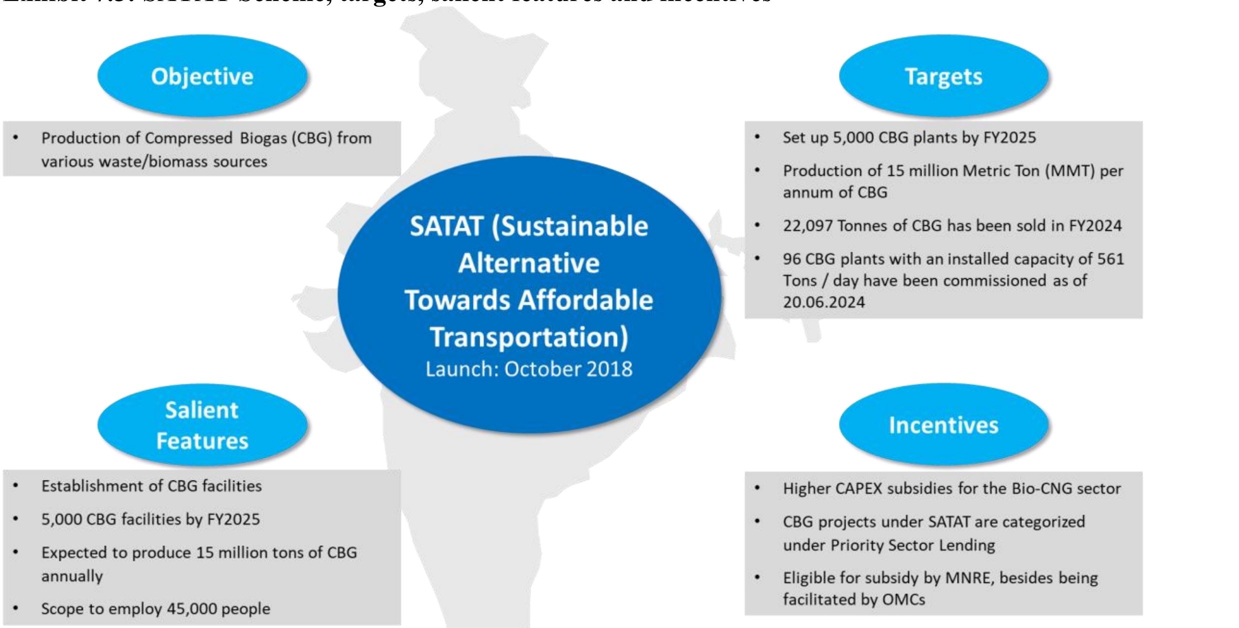
National Bio Energy Programme: Launched by the MNRE on 2nd November 2022, this program aims to promote power, biogas/BioCNG, and briquette/pellet production with a budget of INR 17 billion (Phase 1: INR 8.6 billion). It supports the use of surplus biomass from rural areas, providing additional income for rural households.

Sustainable Alternative Towards Affordable Transportation (SATAT): This initiative promotes the production of CBG from waste/biomass, aiming to reduce reliance on fossil fuels and air pollution from crop stubble burning. It is expected to produce 15 million tonnes of gas, reducing the CNG bill by 40%.

PM-PRANAM Scheme: A proposed program to reduce chemical fertilizer use by promoting bio and organic fertilizers. It aims to reduce the subsidy burden on chemical fertilizers and encourage states to adopt alternatives.

Financial Assistance for Biomass Aggregation Machinery: This scheme supports CBG producers in purchasing machinery for biomass aggregation, facilitating CBG production and overcoming funding challenges.

Exhibit 7.5: SATAT Scheme, targets, salient features and incentives



Source: MoPNG (Ministry of Petroleum & Natural Gas); Frost & Sullivan Analysis

CBG Blending Obligation (CBO): In India, the compressed biogas ("CBG") blending obligation mandates oil marketing companies to blend CBG into their fuel infrastructure. The mandatory blending obligation will begin in FY 2025-26, starting at 1% and gradually increasing to 5% from FY 2028-29 onwards. This initiative mandates OGMCs to set up projects for CBG production from organic waste and biomass.

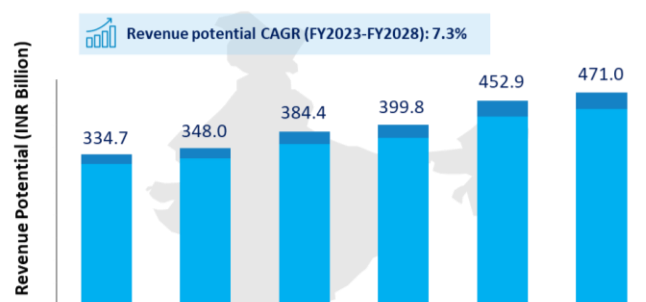
Revenue potential from Surplus Agro Residue and Press Mud (CBG and Briquettes)

Both Compressed Biogas and Briquettes can be produced from Surplus Agro Residue and Pressmud – the current availability of these two feedstocks has been estimated at approx. 150 MT and 20 MT respectively.

Exhibit 7.6: Revenue potential from Surplus Agro Residue and Press Mud, India, INR billion, FY2023-FY2028

Note / Assumptions:

1. *The revenue potential has been calculated based on only two feedstocks – Surplus Agro Residue and Pressmud.*
2. *Even though annual CBG potential of the above-mentioned feedstocks are 20 MMTPA & 2 MMTPA, considering realistic availability, the revenue has been calculated at 25%*
3. *CBG price is expected to increase from INR 57 / Kg in FY2023 to INR 65 / Kg*
4. *Briquette's sale (quantity) has been considered as 10% of feedstock considering the mix of feedstock and marketability*
5. *Briquette price for FY2023 has been considered as INR 5 / Kg which is expected to increase to INR 7/ Kg by FY2028*



	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Briquette	21.2	22.0	27.5	28.6	34.6	36.0
CBG	313.5	326.0	356.9	371.2	418.2	435.0

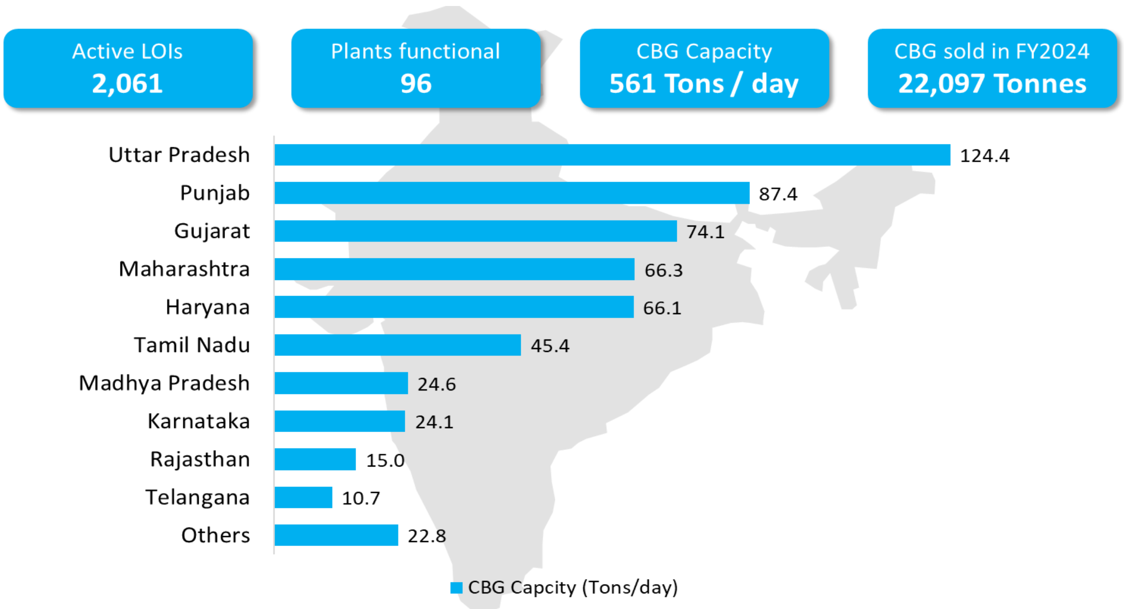
Source: Stakeholder Consultations, Frost and Sullivan Analysis

For the purpose of this calculation, it has been assumed that only 25% of the feedstock would realistically be available for CBG and Briquette production – this is in line with assumptions considered for the SATAT scheme. Basis these assumptions, revenue potential from the above-mentioned businesses in FY2023 were INR 314.9 billion. The potential is likely to increase to INR 436.9 billion by FY2028, growing at a CAGR of 7.3%.

Current state of CBG production in India

According to the information available on SATAT and GOBARdhan portal of Government of India, there are 96 functional CBG plants in India as on 20.06.2024 with a cumulate CBG production capacity of 561 Tons / day.

Exhibit 7.7: Status of CBG production, India, as of 20.06.2024

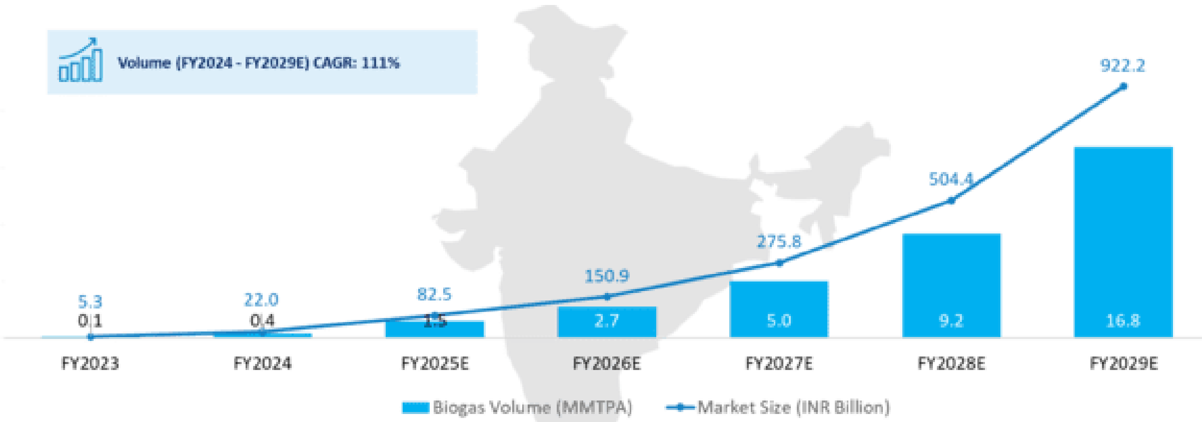


Besides, there are 2,061 active Letters of Intent (LOI) for setting up similar plants and in FY2024, 22,097 tonnes of CBG have been sold in the country. The above chart indicates approximately 2.5 times increase from 38 CBG plants, 225 Tons/day capacity at the end of October 2022. Advancements in technology have made the production of CBG more efficient and cost-effective, further boosting the market growth. Some of the renowned producers of CBG at present are Verbio India (33 TPD), Lakhimpur Kheri RNG (21.2 TPD), Jakraya Sugar (20 TPD), Reliance Bio Energy (20 TPD), Reliance Industries (20 TPD), Inodore Clean Energy (17 TPD), Sangrur RNG (14.8 TPD), Patiala RNG (14.8 TPD), Circle CBG India (14.6 TPD), HPCL (14.3 TPD), Bharat Biogas Energy (14.0 TPD) etc.

Current size of Indian Biogas Market and its growth

Government programs and policies are set to drive exponential growth in India's CBG sector. According to the 'Gobardhan' portal, there are 90 operational CBG plants, 8 completed, 161 under construction, and 372 in planning. These numbers are expected to increase significantly. Frost & Sullivan estimates that CBG production in India was 0.4 MMTPA in FY2024 and is projected to reach 16.8 MMTPA by FY2029. The market value is expected to grow from INR 5.3 billion in FY2024 to INR 922 billion by FY2029, with a conservative CAGR of 70–75%. For example, HPCL has set up a plant in Budaun with an investment of INR 1,330 million, processing 100 MTPD of rice straw to produce 14 MTPD of CBG and 65 MTPD of solid manure. This plant will reduce stubble burning on 17,500-20,000 acres, cutting 55,000 tons of CO_2 emissions annually, and generating employment for 1,100 people. The government plans to establish 100 similar plants in Uttar Pradesh.

Exhibit 7.8: Growth of Indian CBG market, in MMTPA and INR billion, FY2023 – FY2029E



Note:
1. Density of CBG has been considered as 0.76 kg / SCM
2. Price of CBG considered as Rs. 55 / kg

Source: Statista, Frost & Sullivan Research and Analysis

Growth drivers and restraints of the Indian CBG market

The growth of the Indian CBG sector is fuelled by several factors that include supportive government, an abundant supply of organic waste, and a growing awareness about environmental sustainability. This could pave the way for a thriving CBG sector for the country.

Exhibit 7.9: Key drivers for the growth of Indian Biogas Market

SL. NO.	FACTORS	SHORT-TERM IMPACT	LONG-TERM IMPACT
1.	Mandatory blending of 5% CBG from waste into the CGD network by FY2029	This will stimulate demand for CBG in the CGD sector. It will promote production and consumption of CBG in the country.	The CBG Blending Obligation (CBO) will encourage significant investment and facilitate establishment of numerous CBG projects. It will lead to import substitution for Liquefied Natural Gas (LNG), saving in foreign exchange, and promoting circular economy.
2.	Increasing awareness towards environmental sustainability	Immediate increase in demand for biogas solutions.	Sustained growth as more people adopts renewable energy solutions.
3.	Government initiatives promoting renewable energy	Increased funding and support for biogas projects.	Creation of a favorable policy environment for renewable energy.
4.	Rising adoption of renewable resources	Increased market demand for biogas.	Shift towards renewable energy sources, reducing dependence on fossil fuels.
5.	Increasing installation of energy sources	Growth in the biogas industry due to increased installations.	Widespread adoption and normalization of biogas as a primary energy source.
6.	Increasing utilization of wastes	More efficient use of waste materials, boosting biogas production.	Establishment of waste-to-energy as a standard practice, contributing to a circular economy.

However, the sector is also affected with a few present-day challenges that have been listed below:

Exhibit 7.10: Restraints hindering the growth of the Indian CBG Market

SL. NO.	FACTORS	SHORT-TERM IMPACT	LONG-TERM IMPACT

1.	High capital expenditure	Potential deterrent for new entrants due to high initial costs.	Consolidation of the market, with larger players dominating.
2.	Supply chain related bottlenecks / availability of feedstocks	Limited availability or fluctuations in the supply of feedstock could lead to delays or cancellations of ongoing projects and is a major operational challenge	Potential long-term disruptions in the supply chain, affecting future projects.

Bio-methanation process and OREX as an Organic waste pre-treatment technology

Bio-methanation is a process that converts hydrogen (H2) and carbon dioxide (CO2) into methane (CH4) through several key stages:

Hydrolysis: Complex organic compounds are broken down into simpler molecules by bacteria, preparing them for further processing.

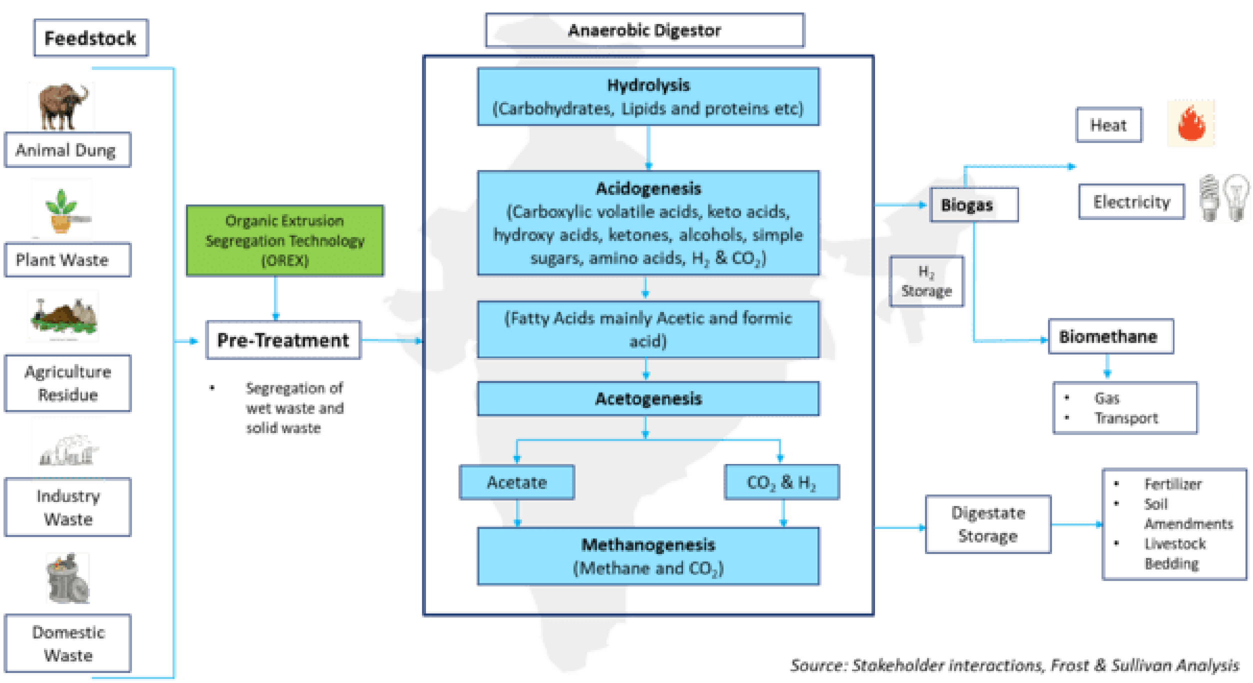
Acidogenic Fermentation: These simpler molecules are further broken down, producing volatile fatty acids (VFAs) like acetic acid.

Hydrogen-Producing Acetogenesis: VFAs are converted into hydrogen (H2) and carbon dioxide (CO2), essential for methane production.

Methanogenesis: Methanogens use the H2 and CO2 to produce methane (CH4).

OREX technology enhances this process by efficiently segregating municipal waste into organic and inorganic fractions.

Exhibit 7.11: Bio-methanation process and OREX Technology



Source: Stakeholder interactions, Frost & Sullivan Analysis

The organic fraction, rich in moisture and organic matter, is used for bio-methanation, while the inorganic fraction is converted into high-quality Refuse Derived Fuel (RDF). This technology has capability to yield more than 150 Nm^3 of biogas per ton of organic waste, higher than the industry average of 80-100 Nm^3 per ton.

Plans of OMCs to enter Indian Biogas Market

Oil Marketing Companies (OMCs) are entering the Indian biogas market, driven by the rising demand for clean energy and the government's biogas production targets. With their extensive infrastructure, OMCs are expected to boost the sector's growth, advancing India's energy security and sustainability goals.

In this evolving market, incumbents like SFC Environmental Technologies have a clear edge over Original Equipment Manufacturers (OEMs). SFC's expertise in waste-to-energy solutions, strong regulatory relationships, and proven technologies make them well-suited to lead in biogas production and distribution. Collaborating with OMCs, established players like SFC can accelerate market penetration and promote sustainable energy practices across India, reinforcing the nation's shift towards a greener future.

Exhibit 7.12: OMC (Oil Marketing Companies) and their interest in Indian Biogas Market

OMC	PLAN
Indian Oil Corporation Limited (IOCL)	IOCL has shown interest in the SATAT initiative and is planning to procure CBG from potential entrepreneurs.
Bharat Petroleum Corporation Limited (BPCL)	BPCL is also part of the SATAT initiative and is planning to set up CBG plants across the country.
Hindustan Petroleum Corporation Limited (HPCL)	HPCL is planning to offer a delivered price for procurement of CBG, with additional incentives based on the delivery distance and current CNG market price.
GAIL (India) Limited	GAIL has signed a MoU with Carbon Clean Solutions Limited (CCSL) to increase the number of CBG plants in India.
Reliance Industries Limited (RIL)	RIL plans to set up more than 50 compressed biogas (CBG) plants in the next two years at a cost of over INR 50 billion. They have already set up two CBG demo units at its refinery facility in Jamnagar and commissioned the first commercial-scale CBG plant at Barabanki in Uttar Pradesh.
Essar Oil	Essar Oil has shown interest in the SATAT initiative and is planning to procure CBG from potential entrepreneurs.
Nayara Energy	Nayara Energy is also part of the SATAT initiative and is planning to set up CBG plants across the country.

Source: Frost & Sullivan research

Municipal Wet Waste to Biogas generation and selling as CNG/PNG

Municipal wet waste, such as food scraps and yard trimmings, can be converted into biogas through shredding, mixing with water, and anaerobic digestion, producing methane and carbon dioxide. This biogas can be purified to create Compressed Natural Gas (CNG) or Piped Natural Gas (PNG). The Ministry of New and Renewable Energy supports Waste to Energy projects for Biogas, Bio-CNG, and Power from various wastes. For example, a plant processing 20 tons of fruit and vegetable waste daily can yield about 2,400 m^3 of Bio-CNG. Key factors for successful conversion include waste availability, collection costs, and digester facilities.

Leading Biogas Technology Suppliers

The Indian biogas market is dynamic, with key biogas technology suppliers shaping its trajectory. In the table above, we spotlight the leading biogas technology suppliers operating within India. These companies contribute significantly to the nation's sustainable energy objectives by advancing biogas adoption, waste-to-energy initiatives, and environmental stewardship.

Exhibit 7.13: Leading MSW treatment companies providing Waste to Energy (WTE) Solutions

COMPANY	PRODUCTS / SOLUTIONS	DESCRIPTION
SFC Environmental Technologies	Technology solutions for solid waste treatment comprising design, engineering, turnkey solutions and O&M	SFC provides solutions for Solid Waste Treatment, including project development, design and engineering, equipment supply, construction and commissioning, and long-term operation and maintenance. SFC also offer turnkey solutions through an engineering, procurement and construction ("EPC") model. SFC's principal technology is OREX, which is their proprietary technology, designed to separate biodegradable organics from inorganic materials and lignocellulosic fibres from mixed municipal wastes.
Ecogreen Energy	Waste Collection & Transportation, Waste Processing & Treatment, Waste to Energy, Construction & Demolition Waste Management	Ecogreen Energy is a waste management and waste-to-energy company in India. It provides door to door waste collection service, transportation of waste to plant sites where the waste is segregated and then converted into organic compost, electricity, and RDF (Refuse Derived Fuel).
Antony Lara Renewable Energy	Waste-to-Energy	The company focuses on comprehensive operations of collection, transportation, treatment and disposal of municipal solid waste.
Abellon Clean Energy	Waste to Energy, Extended Producer Responsibility, Biomass Heat & Transport, EPC3	Abellon Clean Energy is an integrated sustainable energy solutions provider. The company's primary business is energy generation from the wastes. The company has entered into a technical agreement with Germany's Agraferm Group for setting up biogas plants across India. In the first phase, the company will set up biogas plants in Gujarat and later, on a pan-India basis, with technical support from Agraferm Group.

Threats and challenges to SFC Technologies and its products and services

Challenges specific to the End user industry

Municipal Authorities: Ageing infrastructure, inadequate collection systems, and weak enforcement of industrial pre-treatment are major challenges, leading to pollution. Upgrading infrastructure, enhancing waste collection, and enforcing stricter regulations are needed.

Households and Residential Communities: Inefficient waste management stems from poor source segregation, mixing recyclables, food scraps, and non-biodegradables. Encouraging waste segregation and promoting composting are vital for improved management.

Industries: High installation and maintenance costs deter biogas adoption. Limited awareness of financial benefits and technology also hampers uptake. Government incentives and awareness programs can boost adoption.

Challenges specific to SFC Environmental Technologies

SFC Environmental Technologies faces standard industry risks, including competition from both established and new players, and economic fluctuations affecting project budgets and investment. Domestic market uncertainties and changes in government policies, such as levies or exemptions on imported materials, can impact sales and profit margins. For example, fluctuations in steel or plastic prices and changes in government subsidies may influence project costs and demand for SFC's solutions.

COMPETITIVE BENCHMARKING

Leading players in the waste management market are crucial to India's sustainability goals. Increased urbanization and industrial activities have led to higher wastewater generation, making its treatment and reuse vital for addressing water scarcity and preventing pollution. Companies specializing in wastewater treatment are advancing sustainable practices and addressing environmental challenges, paving the way for a more sustainable future.

Operational Benchmarking

Profile 1: SFC Environmental Technologies Pvt. Ltd.

Company Overview (Origin and Incorporation year must be included)	**Established in 2005 and based in Navi Mumbai, India, SFC Environmental Technologies Ltd. is an environmental technology company offering technologies and engineering solutions in the field of wastewater treatment ("WWT") and solid waste treatment ("SWT")**	
Key Technologies	C-Tech OREX	
Solutions Offerings	Waste water treatment	Solid waste treatment Agro waste treatment
Key Clients	Enviro Infra Ltd. EMS Ltd. GVPR Engineers Ltd. Gharpure Engineering & Constructions Pvt. Ltd.	Ramky Infrastructures Toshiba Water Solutions Pvt. Ltd. HNB Engineers Pvt. Ltd. Goa Waste Municipal Corporation

Thermax

Company Overview (Origin and Incorporation year must be included)	**Founded in 1966 and headquartered in Pune, India, Thermax is an engineering company providing sustainable solutions in the areas of energy and environment. The company's reach spans 86 countries, serving industrial and commercial clients with energy-efficient and eco-friendly operations.**	
Key Technologies	Eco-friendly power Water recycling Waste heat energy	Cooling from heat waste Emission control
Product Offerings	Waste Heat Recovery Waste to Energy Conversion Water and Waste Solutions	Oil and Gas Sector Services Energy Environment Solutions Steam Accessories
Key Clients	GAIL India Daimler Tata Communications	ONGC Mangalore Refinery JK Cement Works Tata Sponge Iron

Profile 2: Praj Industries

Company Overview (Origin and	**Established in 1983 and headquartered in Pune, India, the company specializes in biofuels, bioenergy, renewable energy, circular economy, green fuels, brewery, beer, alcohol, ethanol,**

Incorporation year must be included)	**water and wastewater treatment, process equipment, distillation, oil and gas, bio CNG, bio methanation, bio mobility, and renewable chemicals and materials.**	
Key Technologies	EcoCool™ MAXIMOL™ PROFIIT™ (Process Optimized Flexible Integrated Incineration Technology)	RenGas™ efinity™ Celluniti™ BIOSYRUP™
Product Offerings	Bio Energy- 1G Ethanol, Bio Ethanol and Compressed Biogas Praj Hipurity Systems Critical Process Equipment & Skids	ZLD & resource recovery Solvent recovery system Total Water Management VAS (value-added services)
Key Clients	Incauca Addax Petroleum Bajaj Hindustan Ltd Globus Spirits	British Sugars Seagrams Vivergo Fuels ThaiBev

Profile 3: Ion Exchange

Company Overview (Origin and Incorporation year must be included)	**Established in 1964 and headquartered in Mumbai, India, Ion Exchange is a solution provider in water and environment management solutions. The company provides comprehensive solutions for water, wastewater, solid waste, and waste-to-energy sectors.**	
Key Technologies	Complete Environmental Management Solutions	
Product Offerings	Membranes Instruments & Automation Consumer Products Zero Liquid Discharge (ZLD) Systems	Activated Sludge Plants Membrane Bioreactor (MBR) Systems Sewage Treatment Plants (STPs)
Key Clients	Emirates Steel SAIL Unilever	Rockwool Dabur Ranbaxy

Profile 4: Xylem Water Solutions

Company Overview (Origin and Incorporation year must be included)	**Established in 2011 and headquartered in Bengaluru, Karnataka, Xylem Water Solutions India Private Limited is a solution provider in the global water technology sector. Xylem offers a comprehensive range of solutions including water and wastewater transport, treatment, test, and efficient use.**
Key Technologies	Water Reuse Technology

	Energy Efficient Pumping Solutions	
Product Offerings	Analysis, Monitoring & Control Instruments and Equipment Communications & Data Transfer Gas Infusion Systems Hydro Turbines	Metrology for Utilities Mixing & Mixing Equipment Pumps & Packaged Pump Systems Water and Wastewater Treatment Solutions
Key Clients	AC Fire pump Bell & Gossett Flojet Flygt	Godwin Jabsco Leopold Lowara

Profile 5: Alfa Laval

Company Overview (Origin and Incorporation year must be included)	**Alfa Laval, founded in 1883 and based in Lund, Sweden, is a leading global provider of first-rate products in the areas of heat transfer, separation, and fluid handling. Alfa Laval's innovative solutions are used to heat, cool, separate, and transport products such as oil, water, chemicals, beverages, foodstuffs, starch, and pharmaceuticals.**	
Key Technologies	Heat Transfer Separation Fluid Handling	
Product Offerings	Automatic back-flushing filters Ballast Water Treatment Systems Boilers Brewery solutions Bulk solutions	Freshwater generation Heat exchangers. Heaters Membranes Pump control system.
Key Clients	Arkema Rhodia Brasil BASF	Lanxess Dow Wolff Cellulosics Balaji Amines

Financial benchmarking

Exhibit 8.1: Revenue from the operation, Revenue from operations Y-O-Y growth, EBITDA, EBITDA Margin of key competitors, value in INR Million, FY2020 – FY2024

Financial Indicators	Years	SFC Environmental	Thermax	Praj Industries	Ion Exchange	Xylem India	Alfa Laval
Revenue from Operations INR Million	FY2020	3,149.2	57,313.1	11,023.7	14,798.3	5,460.8	13,554.1
	FY2021	2,726.9	47,912.5	13,046.7	14,495.2	4,492.8	11,637.7
	FY2022	4,967.3	61,283.3	23.432.7	15,768.7	4,867.1	13,211.4
	FY2023	5,196.9	80,898.1	35,280.4	19,896.1	4,927.9	16,873.3
	FY2024	6,583.9	93,234.6	34,662.8	23,478.5	5,924.3	NA
Revenue from Operations Y-O-Y Growth in %	FY2020	NA	NA	NA	NA	NA	NA
	FY2021	-13%	-16%	18%	-2%	-18%	-14%
	FY2022	82%	28%	80%	9%	8%	14%
	FY2023	5%	32%	51%	26%	1%	28%
	FY2024	27%	15%	-2%	18%	20%	NA
EBITDA INR Million	FY2020	462,4	4,061.8	780.6	1,345.7	496.8	2,312.7
	FY2021	329.0	3,551.9	1,123.5	2,023.0	-793.9	2,017.8
	FY2022	1,088.0	4,215.0	2,058.5	2,132.1	166.9	2,733.4
	FY2023	1,240.7	5,973.3	3,180.0	2,549.9	262.0	2,685.8
	FY2024	1,935.9	7,965.7	3,878.1	2,719.4	489.3	NA
EBITDA Margin in %	FY2020	14.7%	7.1%	7.1%	9.1%	9.1%	17.1%
	FY2021	12.1%	7.4%	8.6%	14.0%	-17.7%	17.3%
	FY2022	21.9%	6.9%	8.8%	13.5%	3.4%	20.7%
	FY2023	23.9%	7.4%	9.0%	12.8%	5.3%	15.9%
	FY2024	29.4%	8.5%	11.2%	11.6%	8.3%	NA

Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis

Revenue from Operations Y-O-Y growth is calculated as (Current year revenue – previous year revenue)/ previous year revenue

EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less other income as per the Restated Consolidated Financial Information.

EBITDA Margin is calculated as EBITDA/Revenue from Operations

Exhibit 8.2: PAT, PAT Margin, RoCE, RoE of key competitors, India, in percentage, FY2020 – FY2024

Financial Indicators	Years	SFC Environmental	Thermax	Praj Industries	Ion Exchange	Xylem India	Alfa Laval
PAT INR Million	FY2020	371.2	2,124.5	704.3	941.5	100.6	2,032.4
	FY2021	317.2	2,065.8	810.5	1,433.2	-380.7	1,914.6
	FY2022	851.6	3,123.1	1,502.4	1,616.9	163.5	2,215.0
	FY2023	948.1	4,507.0	2,398.2	1,949.7	105.4	2,101.8
	FY2024	1,441.7	6,431.9	2,833.9	1,953.5	213.2	NA
PAT Margin in %	FY2020	11.8%	3.7%	6.4%	6.4%	1.8%	15.0%
	FY2021	11.6%	4.3%	6.2%	9.9%	-8.5%	16.5%
	FY2022	17.1%	5.1%	6.4%	10.3%	3.4%	16.8%
	FY2023	18.2%	5.6%	6.8%	9.8%	2.1%	12.5%
	FY2024	21.9%	6.9%	8.2%	8.3%	3.6%	NA
RoCE in %	FY2020	18.1%	12.6%	11.4%	32.0%	7.4%	29.8%
	FY2021	13.5%	10.2%	13.8%	38.4%	-12.4%	40.2%
	FY2022	31.2%	11.7%	21.9%	32.7%	3.6%	49.6%
	FY2023	28.6%	14.0%	30.3%	30.3%	5.2%	39.8%
	FY2024	29.1%	15.7%	30.6%	24.1%	11.7%	NA
RoE in %	FY2020	NA	NA	NA	NA	NA	NA
	FY2021	13.4%	6.6%	10.6%	32.9%	-11.7%	24.1%
	FY2022	28.7%	9.3%	17.5%	27.9%	5.2%	35.9%
	FY2023	25.4%	12.2%	24.1%	26.2%	3.2%	30.0%
	FY2024	29.8%	15.5%	24.1%	21.1%	6.8%	NA

Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis

PAT Margin is calculated as PAT/Revenue from Operations

RoCE is calculated as a percentage of earnings before interest and taxes (EBIT) / total equity plus total borrowings plus deferred tax liabilities minus deferred tax assets as per the Restated Consolidated Financial Information. EBIT is calculated as profit before tax and share of profit of joint ventures / associate plus finance costs.

RoE is calculated as total profit after tax for the year divided by average total equity.

Exhibit 8.3: Debt to Equity, Inventory Days, Trade Receivable Days, Trade Payable Days, FY2020 – FY2024

Financial Indicators	Years	SFC Environmental	Thermax	Praj Industries	Ion Exchange	Xylem India	Alfa Laval
Debt to Equity	FY2020	0.36	-0.09	-0.07	-0.77	-0.44	-0.13
	FY2021	-0.47	-0.50	-0.17	-0.92	-0.63	-0.19
	FY2022	-0.24	-0.17	-0.17	-0.74	-0.56	-0.20
	FY2023	-0.19	-0.08	-0.13	-0.59	-0.55	-0.21
	FY2024	-0.10	0.06	-0.17	-0.44	-0.51	NA
Inventory Days	FY2020	NA	NA	NA	NA	NA	NA
	FY2021	70	62	60	54	63	130
	FY2022	51	55	59	60	61	142
	FY2023	73	59	56	59	72	138
	FY2024	NA	53	52	57	90	NA
Trade Receivable Days	FY2020	NA	NA	NA	NA	NA	NA
	FY2021	121	98	107	117	170	72
	FY2022	97	78	74	108	161	52
	FY2023	133	70	67	108	150	48
	FY2024	NA	74	85	124	135	NA
Trade Payable Days	FY2020	NA	NA	NA	NA	NA	NA
	FY2021	68	78	73	127	204	53
	FY2022	52	76	59	119	189	48
	FY2023	65	65	48	97	165	48
	FY2024	NA	58	52	95	120	NA

Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis

Debt to Equity ratio is calculated as Net Debt/Total Equity, Net Debt is calculated as (Long-Term borrowings + Short-Term borrowings) – (Cash & Cash Equivalents + Bank Balance Other than Cash and Cash Equivalents)

Inventory days has been calculated as average inventory/cost of goods sold or revenue multiplied by 365; Trade receivable days has been calculated as average trade receivables/total income multiplied by 365; Trade payable days has been calculated as average trade payables/total income multiplied by 365.

ANNEXURE

Exhibit: Inventory of Sewage Treatment plants in the country, by States, FY2021

SR.NO	STATE	SEWAGE GENERATION (IN MLD)	NUMBER OF STPs*	INSTALLED TREATMENT CAPACITY (IN MLD)
1	Andaman and Nicobar Island	23	-	0
2	Andhra Pradesh	2,882	37	833
3	Arunachal Pradesh	62	-	0
4	Assam	809	-	0
5	Bihar	2,276	0	10
6	Chandigarh	188	6	293
7	Chhattisgarh	1,203	3	73
8	Dadra & Nagar Haveli	67	3	24
9	Goa	176	9	66
10	Gujarat	5,013	68	3,378
11	Haryana	1,816	155	1,880
12	Himachal Pradesh	116	59	136
13	Jammu & Kashmir	665	12	218
14	Jharkhand	1,510	2	22
15	Karnataka	4,458	100	2,712
16	Kerala	4,256	5	120
17	Lakshadweep	13	-	0
18	Madhya Pradesh	3,646	45	1,839
19	Maharashtra	9,107	130	6,890
20	Manipur	168	0	0
21	Meghalaya	112	0	0
22	Mizoram	103	0	10
23	Nagaland	135	0	0
24	NCT of Delhi	3,330	35	2,896
25	Orissa	1,282	4	378
26	Pondicherry	161	3	56

27	Punjab	1,889	96	1,781
28	Rajasthan	3,185	56	1,086
29	Sikkim	52	6	20
30	Tamil Nadu	6,421	63	1,492
31	Telangana	2,660	27	901
32	Tripura	237	1	8
33	Uttar Pradesh	8,263	92	3,374
34	Uttarakhand	627	52	448
35	West Bengal	5,457	24	897
	Total	**72,368**	**1,093**	**31,841**

Note: This is the most recent, published, government and credible source available published in March 2021
**Includes functional STPs only*
Source: https://cpcb.nic.in/openpdffile.php?id=UmVwb3J0RmlsZXMvMTIyOF8xNjE1MTk2MzIyX21lZGlhcGhvdG85NTY0LnBkZg==

Exhibit: Technology-wise Break-up of STPs in various States, by installed capacity in MLD, FY2021

STATE	TECHNOLOGY								
	ASP	EA	FAB	MBBR	OP	SBR	UASB	WSP	OTHERS
Andhra Pradesh	321	20	3	39	57	17	130	31	235
Bihar	150	0	0	0	0	327	0	0	154
Chandigarh	5	0	0	136	0	107	45	0	0
Chhattisgarh	73	0	0	0	0	0	0	0	0
Dadra Nagar Haveli	0	0	0	0	0	24	0	0	0
Goa	0	0	0	0	0	103	0	0	1
Gujarat	1,254	60	0	175	46	1,285	491	0	67
Haryana	297	0	0	447	14	754	368	0	0
Himachal Pradesh	155	0	0	0	0	0	0	0	0
Jammu & Kashmir	9	0	3	3	0	10	1	0	0
Jharkhand	0	0	0	0	0	1	0	0	11
Karnataka	667	166	20	35	85	1,079	63	61	536
Kerala	112	0	0	0	0	0	0	0	8
Madhya Pradesh	120	0	0	0	0	358	0	178	1,268
Maharashtra	930	146	1	826	36	2,452	240	0	5,188
Mizoram	0	0	0	0	0	10	0	0	0
NCT Delhi	2,575	69	3	0	0	245	0	0	4

Odisha	100	0	0	0	0	183	0	35	60
Puducherry	0	0	0	0	0	20	36	0	3
Punjab	207	0	13	165	0	838	501	54	3
Rajasthan	445	0	0	10	30	428	33	137	112
Sikkim	0	0	20	2	0	2	0	0	6
Telangana	85	13	0	133	24	105	541	0	0
Tamil Nadu	1,011	0	6	0	6	319	9	112	29
Tripura	0	0	0	0	0	8	0	0	0
Uttar Pradesh	681	0	122	14	101	1,176	1,095	27	158
Uttarakhand	0	0	0	20	0	351	1	0	143
West Bengal	191	0	41	0	63	392	0	160	355
Total	9,492	474	244	2,034	462	10,647	3,563	795	8,957

Note: This is the most recent, published, government and credible source available published in March 2021
Source: https://cpcb.nic.in/openpdffile.php?id=UmVwb3J0RmlsZXMvMTIyOF8xNjE1MTk2MzIyX21lZGlhcGhvdG85NTY0LnBkZg==

Exhibit: Technology-wise Break-up of STPs in various States, by operational number of STPs, FY2021

STATE	**TECHNOLOGY**								
	ASP	**EA**	**FAB**	**MBBR**	**OP**	**SBR**	**UASB**	**WSP**	**OTHERS**
Andhra Pradesh	7	2	2	10	2	2	5	3	4
Chandigarh	1	0	0	1	0	3	1	0	0
Chhattisgarh	3	0	0	0	0	0	0	0	0
Dadra Nagar Haveli	0	0	0	0	0	3	0	0	0
Goa	0	0	0	0	0	5	0	0	4
Gujarat	14	3	0	5	8	24	7	0	8
Haryana	7	0	0	83	4	49	10	0	0
Himachal Pradesh	59	0	0	0	0	0	0	0	0
Jammu & Kashmir	4	0	3	1	0	4	0	0	0
Jharkhand	0	0	0	0	0	1	0	0	1
Karnataka	12	9	1	1	10	24	2	8	30
Kerala	2	0	0	0	0	0	0	0	1
Madhya Pradesh	4	0	0	0	0	6	0	7	28
Maharashtra	18	2	1	24	2	52	6	0	25
NCT Delhi	25	4	1	0	0	4	0	0	1
Odisha	0	0	0	0	0	0	0	2	2

Puducherry	0	0	0	0	0	1	2	0	0
Punjab	4	0	1	24	0	42	7	16	1
Rajasthan	13	0		2	2	22	4	9	5
Sikkim	0	0	3	0	0	0	0	0	2
Telangana	10	3	0	8	0	3	3	0	0
Tamil Nadu	49	0	1	0	1	5	1	2	4
Tripura	0	0	0	0	0	1	0	0	0
Uttar Pradesh	19	0	3	3	11	31	24	2	6
Uttarakhand	0	0	0	6	0	32	1	0	13
West Bengal	8	0	2	0	6	1	0	2	5
Total	259	23	18	168	46	315	73	51	140

Note: This is the most recent, published, government and credible source available published in March 2021

Legend: ASP- Activated Sludge Process, EA- Electrocoagulation, FAB - Forward Activated Sludge, MBBR - Moving Bed Biofilm Reactor, OP - Oxidation Pond, SBR - Sequencing Batch Reactor, UASB - Upflow Anaerobic Sludge Blanket, WSP - Waste Stabilization Pond

OUR BUSINESS

Unless otherwise stated, references in this section to "we", "our" or "us" (including in the context of any financial information) are to our Company, on a consolidated basis. To obtain a complete understanding of our Company and business, prospective investors should read this section along with "Risk Factors", "Industry Overview", "Restated Consolidated Financial Information", "Other Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 44, 181, 334, 445 and 447, respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole. Additionally, please refer to "Definitions and Abbreviations" on page 6 for definitions of certain terms used in this section.

*The industry information contained in this section is derived from the industry report titled "Industry Report on Indian STP, MSW Management, and Biogas Market" dated November 30, 2024, which is exclusively prepared for the purposes of the Offer and issued by Frost & Sullivan and is commissioned and paid for by our Company ("**F&S Report**"). Frost & Sullivan was appointed on pursuant to engagement letter dated February 28, 2024. We commissioned and paid for the F&S Report for the purposes of confirming our understanding of the industry specifically for the purposes of the Offer. The F&S Report is available on the website of our Company at https://sfcenvironment.com/investors/financial-highlights/industry-report. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For further information, please see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 24.*

We have included certain non-GAAP financial measures and other performance indicators relating to our financial performance and business in this Draft Red Herring Prospectus, each of which are supplemental measures of our performance and liquidity and are not required by, or presented in accordance with Ind AS, Indian GAAP, IFRS or U.S. GAAP. Such measures and indicators are not defined under Ind AS, IFRS or U.S. GAAP, and therefore, should not be viewed as substitutes for performance, liquidity or profitability measures under Ind AS, IFRS or U.S. GAAP. In addition, such measures and indicators are not standardized terms, and a direct comparison of these measures and indicators between companies may not be possible. Other companies may calculate these measures and indicators differently from us, limiting their usefulness as a comparative measure. Although such measures and indicators are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance. For risks relating to non-GAAP measures, see "Risk Factors – The information included in this Draft Red Herring Prospectus in relation to our listed peers may not be comparable and it may be difficult to benchmark and evaluate our financial performance against other operators who operate in the same industry as us." on page 69.

Some of the information set out in this section, especially information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward Looking Statements" on page 27 for a discussion of the risks and uncertainties related to those statements and "Risk Factors" on page 44 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our financial year ends on March 31 of every year, so all references to a particular financial year are to the twelve-month period ended March 31 of that year. Unless otherwise indicated or unless the context requires otherwise, the financial information included herein is based on our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" on page 334.

OVERVIEW

We are an environmental technology company offering efficient technologies and comprehensive engineering solutions in the field of wastewater treatment ("**WWT**") and solid waste treatment ("**SWT**"). Incorporated in 2005, our core operations include providing design, technology, manufacturing, supply and supervision for installation and commissioning of equipment for the treatment of wastewater. With 621 installations in WWT segment, particularly in sewage treatment plants ("**STPs**"), we hold over 80% market share in sequencing batch reactor ("**SBR**") technology, a key wastewater treatment method in India, as of September 30, 2024. (*Source: F&S Report*) Our technologies facilitate the treatment of 14,812.86 million litres per day ("**MLD**") of wastewater. (*Source: F&S Report*). Our C-Tech technology has been implemented in the large-scale SBR-based STPs in India, including one of the largest STP under development, which has a treatment capacity of 375 MLD wastewater, as of November 2024. (*Source: F&S Report*)

Additionally, our Company offers technology solutions for SWT plants comprising of design, engineering, financing, construction, supply and installation, commissioning, performance run, turnkey solutions and operations and maintenance ("**O&M**"). We are among the market leaders in the municipal solid waste space basis our operational results and comprehensive solutions. *(Source: F&S Report)* Our principal technology for solid waste treatment is the Organic Extraction ("**OREX**") technology. OREX is our proprietary innovation, designed to efficiently separate biodegradable organics from inorganic materials and lignocellulosic fibres from mixed municipal waste. (*Source: F&S Report*) We are among the select few players who have leveraged global technology in the municipal solid waste space and transformed it to be suitable for Indian needs. *(Source: F&S Report)* We have designed, built and are operating two integrated SWT facilities in Goa for the Goa Waste Management Corporation ("**GWMC**") on public-private partnership and turnkey model, with a combined treatment capacity of 350 tons per day ("**TPD**"), with an additional handling capacity of 75 TPD resulting in our aggregate treatment capacity of up to 425 TPD, to treat municipal solid waste, enabling generation of biogas, compost and recovery of recyclables. With around 8 years of operation, the North Goa Plant holds the distinction of being one of the longest-operating integrated SWT-based biogas plant in India. (*Source: F&S Report*) In 2023, we strategically expanded our portfolio by entering the agro-based biogas / compressed biogas projects, enhancing the breadth of our offerings.

Our operating divisions

(i) Waste water treatment

Our proprietary technology for wastewater treatment is C-Tech, which is an advanced technology for treating sewage and effluents. (*Source: F&S Report*) C-Tech is the latest generation SBR process, employed extensively for treating both domestic sewage and industrial effluents to achieve recyclable quality water with low life cycle cost, and has installations in many countries, including UK, Germany, Poland, Austria, China, Russia, Australia, Vietnam and Malaysia. (*Source: F&S Report*) Our C-Tech technology package includes design and engineering solutions, the technology installation, and supply of key equipment such as decanters, diffusers, air blowers, fibre disc filters, solar sludge drying system along with programmable logic controller ("**PLC**") / supervisory control and data acquisition ("**SCADA**") based automation solutions. Furthermore, we also provide O&M services and other associated accessories to our customers. A primary advantage of the C-Tech system, as compared to other conventional technologies, is that it offers an efficient method of cyclic activated sludge treatment, that produces a recyclable quality effluent in a single step. (*Source: F&S Report*)

Advanced Sequencing Batch Reactor (SBR) Technologies Comparison (1,000 MLD Plant)

Technology	Treatment Efficiency (BOD / COD) (%)	Nutrient Removal	Footprint (Hectares)	Operational Complexity	Sludge Management
Conventional SBR	BOD: 85-90 COD: 90-95	Moderate (Additional processes for Nitrogen & Phosphorus removal might be needed)	8-12	Moderate	Requires periodic wasting (around 5-10% of treated effluent)
Modified Ludzack-Ettinger (MLE)	BOD: 85-90 COD: 90-95	Moderate (Additional processes for Nitrogen & Phosphorus removal might be needed)	8-12	Moderate	Similar to conventional SBR (periodic wasting)
Intermittent Cycle Extended Aeration System (ICEAS)	BOD: 85-90 COD: 90-95	Moderate (Additional processes for Nitrogen &	8-12	Moderate	Similar to conventional SBR (periodic wasting)

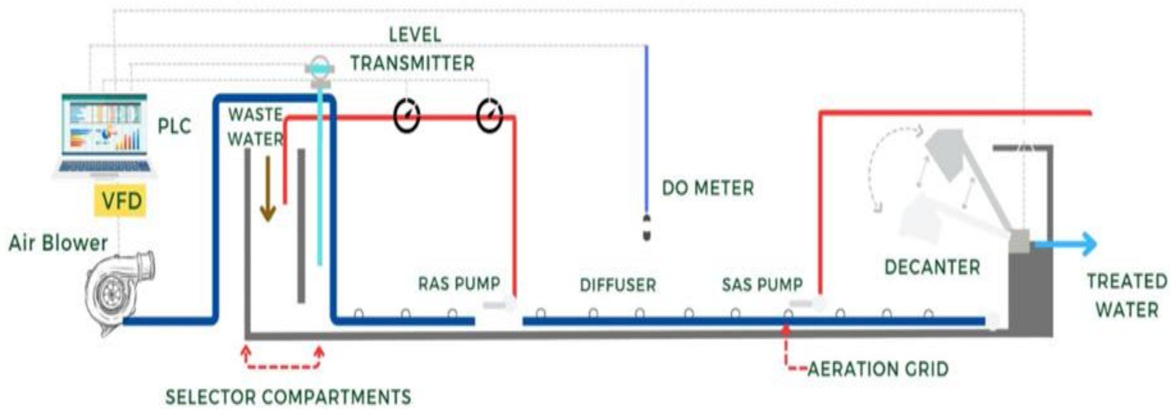
Technology	Treatment Efficiency (BOD / COD) (%)	Nutrient Removal	Footprint (Hectares)	Operational Complexity	Sludge Management
		Phosphorus removal might be needed)			
C-Tech (Cyclic Activated Sludge with biological selector)	BOD: 90-95 COD: 95-98	High (Nitrogen & Phosphorus removal)	5-8	High (Automated operation)	Requires periodic wasting (around 2-5% of treated effluent)

(Source: F&S Report)

Our Company's C-Tech technology generates sludge having one of the best sludge volume index ("**SVI**"), offering up to 98% biochemical oxygen demand ("**BOD**") removal efficiency in a single step. (*Source: F&S Report*) The treatment efficiency of SBR technologies is measured by BOD and chemical oxygen demand ("**COD**") removal rates. It is a versatile technology that effectively handles seasonal, and diurnal quantity and quality variations as compared to other competing technologies by automatically sensing the water and oxygen levels. Apart from being the market leading technology adopted for treating wastewater, C-Tech has also been used to treat wastewater from refineries, pharmaceutical, petrochemical, textile, food and pesticides industries. Energy cost comprises of almost 80% of the O&M cost of STP. C-Tech technology offers up to 40% savings in power consumption as compared to other conventional technologies, thereby reducing the overall O&M cost of the STP. (*Source: F&S Report*) C-Tech requires up to 50% lesser area as compared to other conventional technologies and it is easy to expand the capacity of the C-Tech STP to meet future needs owing to C-Tech's modular construction. C-Tech plants can be designed to generate power from primary sludge settled and removed in primary clarifiers through the use of anaerobic digesters which generates methane-rich biogas which is fed to gas engines for the generation of electricity. C-Tech's low-maintenance cost is underscored by the use of corrosion-resistant materials like stainless steel or unplasticized polyvinyl chloride ("**uPVC**") for its underwater components, significantly extending the lifespan of the plants while minimizing maintenance needs. C-Tech uses the latest automation technology, using the PLC / SCADA systems. The process automation is designed for operation without manual intervention and the performance of the STP is independent of the operators' skill. (*Source: F&S Report*) C-Tech technology introduced three path-breaking innovations, namely bacterial selection by using selectors prior to main treatment, concurrent nitrification and denitrification, and biological phosphorus removal by unique process designed based on simply switching air on and off, thereby facilitating the efficient removal of both carbon and nutrients (nitrogen and phosphorus) in a single treatment step, while also generating sludge with very low SVI, which results in excellent settling of suspended solids giving a crystal clear outlet with low suspended solids (<10 ppm) and BOD (< 5-10 ppm). (*Source: F&S Report*)

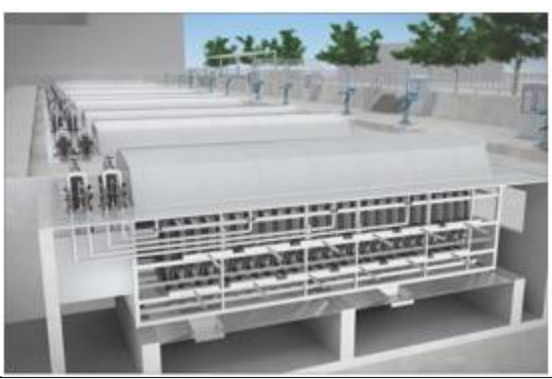
Our C-Tech system is comprised of several critical process components that collectively enhance its functionality and efficiency. Key components include the selector, dissolved oxygen ("**DO**") meter, decanter, diffusers, air blowers, submersible pumps for sludge recycle and sludge wasting ("**SW**"), and the PLC / SCADA systems for automated control. These standard components required for setting up a C-Tech project are customised and manufactured (either in-house or outsourced) as per the technical specifications of the respective projects. The design of C-Tech is unique and specifically customised for each C-Tech installation differ. The C-Tech controller automatically calculates the oxygen uptake rate ("**OUR**") and the quantity of wastewater to be treated, and accordingly adjusts the air supply and decanting rate. The operational cycle of C-Tech involves three main phases: filling & aeration, settling, and decanting. During the fill & aerate phase, wastewater is introduced into the basin where it is aerated along with the biomass for a set period. This is followed by the settling phase, where the biomass is allowed to settle under optimal conditions. The final phase of decanting involves the withdrawal of the clear supernatant of the treated wastewater, which thereafter meets all regulatory norms and is suitable for low-end recycling applications. The excess sludge generated in the process is periodically removed from the system to maintain the mixed liquor suspended solids ("**MLSS**") levels in the C-Tech basin. It is then dewatered and dried after which it can be used as a soil conditioner. This operation lasts for about 3-4 hours after which the system is ready to again take a new batch of wastewater for treatment. All the three phases described above comprise a cycle of treatment which is repeated continuously in various C-Tech basins.

C-Tech process diagram



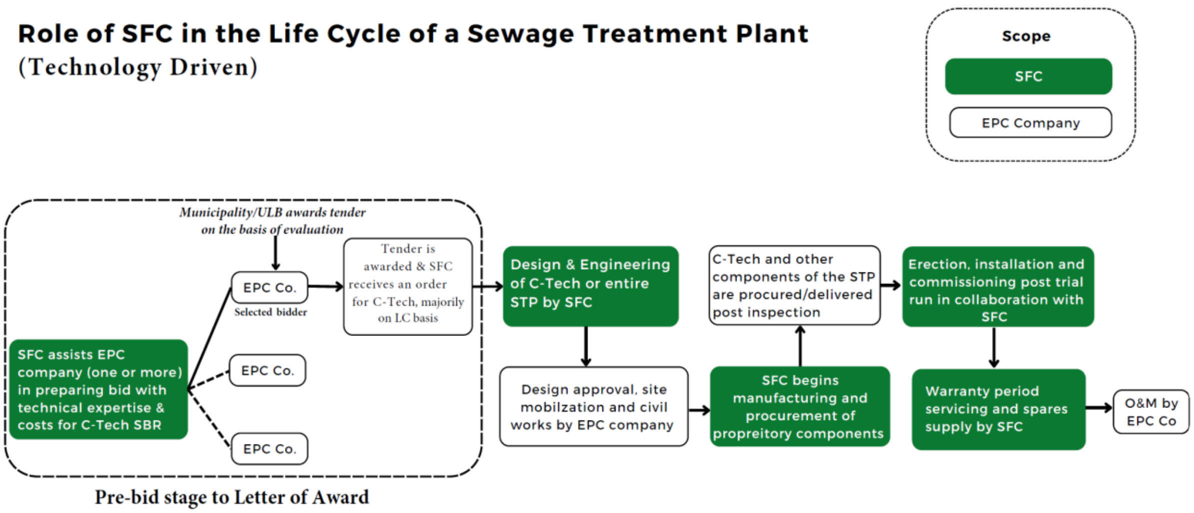
Key components of C-Tech

DECANTER 	Decanter is used to remove the clean treated wastewater supernatant from the basin. During decanting, there is no inflow to the basin. The moving weir-type decanter arm travels slowly from its "Park" position to a calculated bottom water level with the help of a geared drive. Variable Frequency Drive ("**VFD**") is provided to control the speed of the decanter. After the required level of treated wastewater supernatant is removed, the decanter is returned to its "Park" position through reversal of the geared drive. The basin is now ready for the next cycle to begin. The C-Tech decanter is specifically designed to ensure that no floating matter or floating sludge flows out with the treated wastewater. The rate of decanting is calculated to ensure no settled solids are disturbed or withdrawn with the treated wastewater. Our Company does in-house manufacturing of decanters including procurement under contract manufacturing.
DIFFUSER 	Fine bubble polyurethane membrane diffusers are provided for efficient transfer of oxygen from air to meet the process demand. Air grids with adjustable supports are provided for installing all diffusers at same level to ensure uniform air distribution across the plan area of the C-Tech basin. Our Company does in house manufacturing of diffuser aeration systems along with its spare parts, replacement parts and components in India, under an exclusive license from EDI Inc., USA.
BLOWER	Blowers are used for aeration in wastewater treatment primarily for providing air (oxygen) to the bacteria.

	Aeration is crucial for aerobic biological treatment processes where microorganisms break down organic matter in the wastewater in the presence of oxygen. These blowers supply oxygen to support the growth and activity of aerobic bacteria, which in turn help in the decomposition of pollutants. Variable Frequency Drive is used in the blower to ensure proper control of air supply and optimizing the power consumption. We market and sell high-efficiency turbo blowers in India, procured from TurboMax Company Limited (South Korea) through an exclusive agreement. Our Company has started the manufacturing of turbo blowers under the capacity of 100HP in India through our Associate, Turbomax India Private Limited in collaboration with TurboMax Company Limited (South Korea).
PROGRAMMABLE LOGIC CONTROLLER (“PLC”) 	PLCs play a crucial role in the operation of STPs, automating processes to ensure efficient wastewater treatment and compliance with environmental standards. By enabling automated control over various stages such as pumping, aeration, and filtration, PLCs optimize resource usage, enhance operational efficiency, and maintain consistent treatment quality. Their integration facilitates real-time monitoring, data acquisition, and remote control, ensuring reliable performance and minimizing manual intervention & manpower cost in STP operations. The design, development and integration of our PLCs is carried out in-house.
FIBRE DISC FILTER 	The Fibre Disc Filter (“**FDF**”) is a versatile industrial filtration technology using fibrous disc media to efficiently remove suspended solids and contaminants from liquids like wastewater and industrial process water. Its compact, modular design ensures high filtration efficiency, scalability for different flow rates, and minimal maintenance, making it a cost-effective solution for various applications, including the treatment of water for reuse purposes. We market and sell FDF in India procured from Yucheon Enviro Co, Ltd (South Korea) through an exclusive agreement.
SOLAR SLUDGE DRYING SYSTEM	The Solar Sludge Drying System is designed to efficiently dry sewage sludge using solar energy. This system reduces moisture content in sludge, making it easier and more cost-effective to handle and dispose of. By utilizing solar thermal collectors, the technology minimizes energy consumption and environmental impact compared to conventional drying methods. We used to market and sell Solar Sludge Drying System procured from IST Anleganbau GmbH) through an

exclusive agreement. Our Company has now entered into a licensing agreement with IST Anleganbau GmbH for in-house manufacturing of Solar Sludge Drying System in order to indigenise the manufacturing and to reduce costs. Such manufacturing and assembly of 'solar sludge drying systems' under license from IST Anleganbau GmbH commenced in Fiscal 2025, and is being carried out at the premises of our erstwhile Decanter Unit I.

WWT Business Model



Our Company provides technologies, design & engineering, and equipment for wastewater treatment (predominantly STPs) plant projects. By partnering during the pre-tendering stage with EPC companies (bidders) involved in these projects, we ensure that our technology and solutions are integral to their project proposals. This strategic approach helps our Company to become the designated supplier of C-Tech technology, equipment and installation services in case the bidder is selected for the project. We have established strong relationships with EPC companies that bid on STP projects by offering them technical support and competitive pricing to ensure that they include our solutions in their proposals. Our target customers are EPC companies who bid for STP projects, serving ultimately municipalities and government agencies that award these projects. Majority of our partnerships are secured through letters of credit, effectively mitigating the risk of delayed or non-payment, even in instances where our customers experience delays in receiving their payments.

Under our WWT operations, we derive our revenues from our execution and delivery of design and engineering solutions, along with the supply of technology under our C-Tech package. In addition, we also generate revenue from the supply of critical equipment and components integral to wastewater treatment processes, along with a comprehensive range of other associated accessories that ensure operational efficiency and long-term reliability for our clients.

(ii) Solid waste treatment

We offer technology solutions for solid waste treatment comprising design, engineering, turnkey solutions and O&M. Our principal technology is OREX, which is our proprietary technology, designed to separate biodegradable organics from inorganic materials and lignocellulosic fibres from mixed municipal wastes. *(Source: F&S Report)* This process minimizes digesters' challenges and enhances biogas production efficiency. This business model encompasses multiple revenue streams, including the revenue from project execution, generation and sale of energy, sale of recyclables materials and compost, O&M services, and tipping fees.

We have the capability to recover higher proportion of recyclables than the industry average through our proprietary municipal solid waste process. *(Source: F&S Report)* OREX is a multi-stage system designed to extract maximum organics from the mixed waste and preparation of de-gritted organic slurry for downstream digesters resulting into homogenous pulped slurry having >98% biodegradable material, largely free of contaminants and non-biodegradable fractions which enhance the bio-methanization process inside digesters. This technology is particularly adept at processing the typical municipal solid waste found in India, which characteristically includes a diverse mix of bio-waste, inerts, textiles, glass, wood, metal, rubber, plastic, paper, and miscellaneous items.

The key features of our SWT solution are as under:

- Ability to achieve biogas yield more than the industry average. We have achieved an average biogas yield of more than 150 Nm^3/ton of organic waste in the North Goa Plant in the last financial year, higher than the industry average of 80-100 Nm^3/ton. (*Source: F&S Report*)

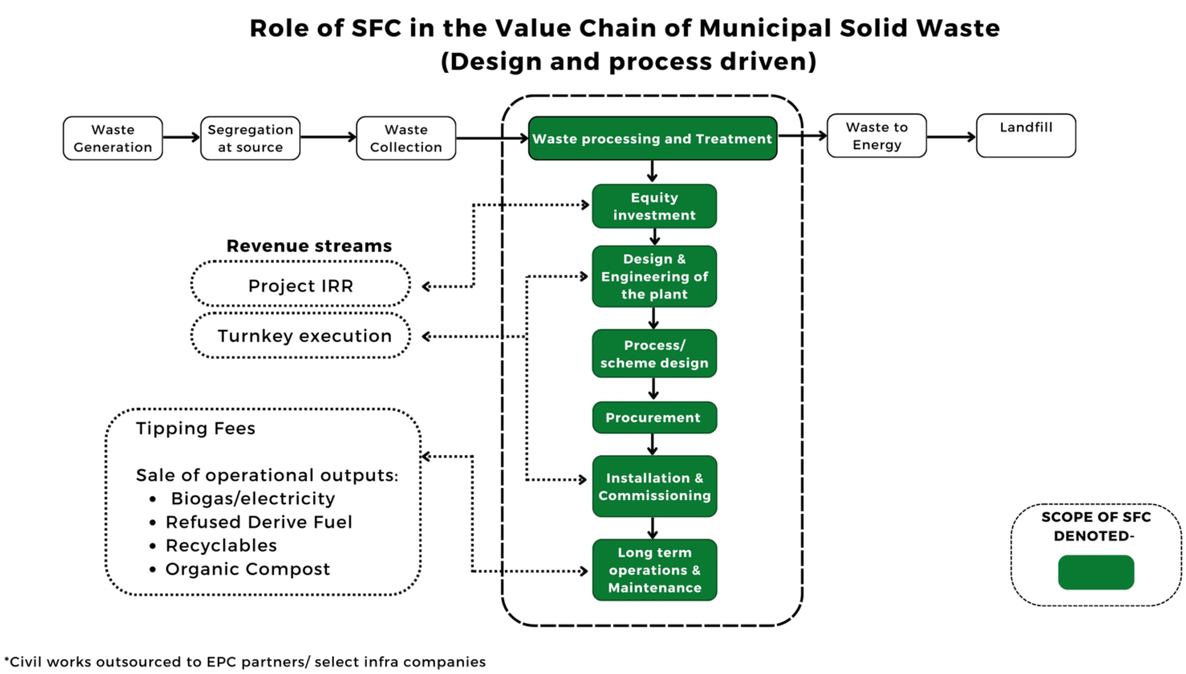
- By converting the digestate formed after fermentation of organic fraction into high-quality compost, the process improves the marketability and price realization of the compost produced. (*Source: F&S Report*)

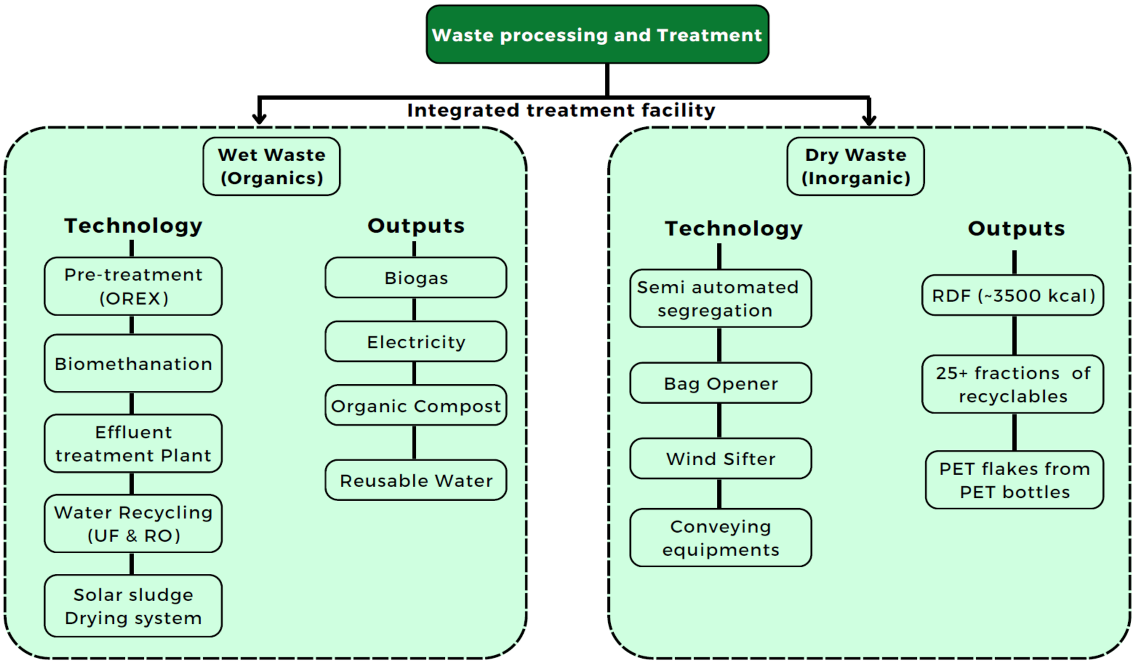
- We have the capability to recover higher proportion of recyclables than the industry average through our proprietary municipal solid waste processes. (*Source: F&S Report*)

- Balance waste in the dry fraction (after recovery of recyclables), often referred to as refused derived fuel ("**RDF**"), has a calorific value approximately between 3,000 to 3,500 Kcal/kg, making it a viable alternate fuel source for energy production or as a fuel (as replacement to coal) in cement plants. *(Source: F&S Report)*

We also offer technology solutions comprising design, engineering, turnkey solutions and O&M for processing multiple agricultural biomass to produce biogas, which can be further converted into bio-CNG or electricity.

Our SWT Business model





Our Company delivers end-to-end solutions for SWT, including project development, design and engineering, equipment supply, construction and commissioning, and long-term operation and maintenance. We bid, develop, and operate concession projects. After securing a project, we handle design, supply of equipment, and manage O&M throughout the concession period. We also offer turnkey solutions through an engineering, procurement and construction ("**EPC**") model.

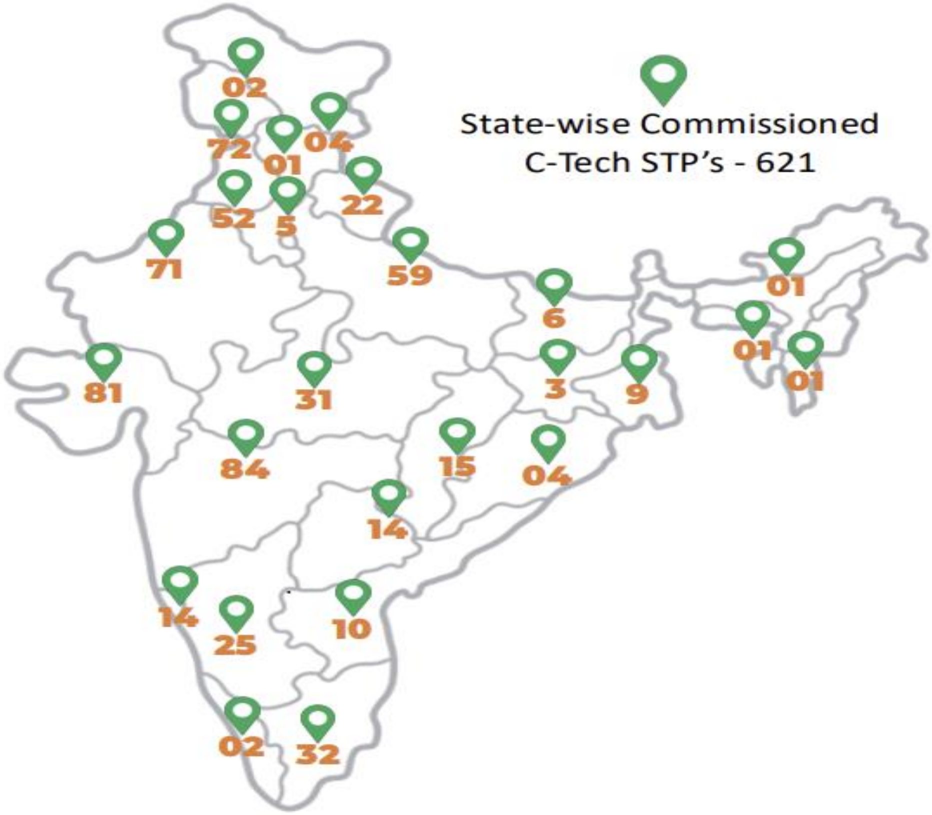
Key customers / vendors / partners

Our customers for WWT projects are EPC players. Our key WWT customers contributing to the majority of our revenue from operations include Enviro Control Private Limited, Vishvaraj Environment Private Limited, Khilari Infrastructure Private Limited, SMC Infrastructures Private Limited, Rajkamal Builders Infrastructure Private Limited, Ramky Infrastructure Private Limited, GVPR Engineers Limited, HNB Engineers Private Limited, Gharpure Engineering & Constructions Private Limited, R. K. Engineers Sales Limited, Toshiba Water Solutions Private Limited, EMS Limited and Enviro Infra Limited. For SWT, our customer is the Goa Waste Management Corporation. For more information see, "*Risk Factors - We derive a significant part of our revenue from our top 10 customers and we do not have long term contracts with most of these customers. If one or more of such customers choose not to source their requirements from us or to terminate our long-term contracts, our business, results of operations and financial condition may be adversely affected*" on page 45.

Our top suppliers contributing to the majority of our procurements include TurboMax Company Limited, Environmental Dynamics International India Private Limited, Smicon B V, Yucheon International Co. Ltd., BMD Engineering Private Limited, CEE Square Engineers, Rexel India Private Limited, EDI Inc. and IST-Anlagenbau GmbH. For more information see, "*Risk Factors - We depend on a few suppliers for the supply of majority of our raw materials and we do not have continuing and exclusive supply agreements with them. Any interruptions in the supply of raw materials, fluctuations in raw material prices or any failure by our suppliers to make timely delivery of raw materials could adversely affect our business, results of operations and financial conditions*" on page 59.

In addition to our primary customers and suppliers as mentioned above, we have also entered into a memorandum of understanding with a large Indian natural gas conglomerate to jointly explore the opportunities to setup compressed biogas ("**CBG**") plants. Further, we also entered into a memorandum of understanding with a large Indian oil and natural gas conglomerate to set up multiple SWT plants producing CBG.

Our presence



Note: Above image depicts cumulative number of projects commissioned in India till September 30, 2024 (i.e. 621). Our Company has received cumulative orders for 1,157 WWT projects till September 30, 2024.

Financial Overview

We have demonstrated consistent growth over the years. Set forth below are certain key performance indicators of our business:

KPIs	Unit	Three months ended June 30, 2024	Three months ended June 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations	₹ in million	940.91	705.39	6,583.92	5,196.86	4,967.34
Operating EBITDA	₹ in million	93.79	34.39	1,932.54	1,240.72	1,088.02
Operating EBITDA Margin	%	9.97%*	4.88%*	29.35%	23.87%	21.90%
PAT	₹ in million	65.01	26.80	1,441.73	948.09	851.60
PAT Margin	%	6.91%*	3.80%*	21.90%	18.24%	17.14%
ROE	%	1.17%*	0.65%*	29.80%	25.44%	28.74%
ROCE	%	1.92%*	0.74%*	28.91%	28.57%	31.24%
Net Debt / Equity	X	-0.16	-0.13	-0.10	-0.19	-0.24
Net worth	₹ in million	5,267.71	3,999.65	5,342.96	3,954.16	3,288.24
Net Debt	₹ in million	-910.40	-538.09	-579.39	-783.14	-800.00
Fixed Asset Turnover	-	1.57*	1.53*	13.27	15.07	15.97
Cash Conversion Cycle#	Days	357	261	154	105	69

** Not annualised*

 # Cash Conversion Cycle days have been rounded to the nearest whole number

1) *Revenue from Operations is used by our management to track the revenue generated from the overall business and help assess the overall financial performance of our Company and also represents the scale of our business.*

2) *Operating EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit of joint ventures / associate and other income as per the Restated Consolidated Financial Information.*
3) *Operating EBITDA Margin track operational efficiency and operational profitability of the business. They assist in tracking the operational margin profile of our business benchmarked against our historical performance and against our peers. Operating EBITDA Margin (%) is calculated as Operating EBITDA divided by revenue from operations multiplied by 100.*
4) *Profit for the period / year track overall profitability of the business. PAT represents total profit after tax for the year as per the Restated Consolidated Financial Information.*
5) *PAT Margin (%) track overall profitability of the business. They assist in tracking the overall margin profile of our business benchmarked against our historical performance and against our peers. PAT margin is calculated as PAT divided by Revenue from Operations multiplied by 100.*
6) *ROE is calculated as total profit after tax for the period / year divided by average total equity. RoE is used by the management to track how efficiently our Company generates profits from shareholders' funds.*
7) *ROCE is used by the management to track how efficiently our Company generates earnings from the capital employed in the business and how well it is converting its total capital to generate profits. ROCE is calculated as a percentage of earnings before interest and taxes / total equity plus total borrowings plus deferred tax liabilities minus deferred tax assets as per the Restated Consolidated Financial Information. EBIT is calculated as profit before tax and share of profit of joint ventures / associate plus finance costs.*
8) *The Net Debt to Equity ratio is used by the management to track whether our Company can repay its obligations if they were all due today and whether our Company is able to take on more debt. Net Debt to Equity is calculated as net debt divided by total equity.*
9) *Net worth shall mean the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write -back of depreciation and amalgamation.*
10) *Net Debt is calculated as total debt reduced by cash and cash equivalents and bank balances other than cash and cash equivalents.*
11) *Fixed Asset Turnover is calculated as revenue from operations divided by average property, plant and equipment.*
12) *Cash Conversion Cycle is computed as trade receivables days plus inventory days minus trade payable days; Wherein, trade receivable days is calculated as average trade receivables divided by revenue from operations multiplied by 365 for financial years, inventory days is calculated as average inventory divided by cost of goods sold multiplied by 365 for financial years and trade payable days is calculated as average trade payables divided by cost of goods sold multiplied by 365 for financial years. Days for three month period is calculated as 365/4.*

The following table sets out our revenue split as per segment information for the specified periods:

Parameter	**Three months ended June 30, 2024**		**Three months ended June 30, 2023**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**		**CAGR (FY 2022 – 2024)**
	Revenue from operations (in ₹ million)	**% of total revenue from operations for the period**	**Revenue from operations (in ₹ million)**	**% of total revenue from operations for the period**	**Revenue from operations (in ₹ million)**	**% of total revenue from operations for the Fiscal**	**Revenue from operations (in ₹ million)**	**% of total revenue from operations for the Fiscal**	**Revenue from operations (in ₹ million)**	**% of total revenue from operations for the Fiscal**	
Wastewater treatment	508.06	54.00%	441.76	62.63%	5,253.32	79.79%	3,773.76	72.62%	3,088.16	62.17%	30.43%
Solid waste treatment	184.97	19.66%	82.12	11.64%	501.88	7.62%	733.42	14.11%	1,346.81	27.11%	(38.96%)
Other operating revenues*	247.88	26.34%	181.51	25.73%	828.72	12.59%	689.69	13.27%	532.37	10.72%	24.77%
Total	940.91	100.00%	705.39	100.00%	6,583.92	100.00%	5,196.86	100.00%	4,967.34	100.00%	15.13%

**Other operating revenues include operating revenues of our Subsidiary, Chavare Engineering Private Limited.*

Wastewater Treatment

(in ₹ million)

Particulars	**As at June 30, 2024 / for three months ended June 30, 2024**	**As at June 30, 2023 / for three months ended June 30, 2023**	**As at March 31, 2024 / for Fiscal 2024**	**As at March 31, 2023 / for Fiscal 2023**	**As at March 31, 2022 / for Fiscal 2022**
Revenue from operations	508.06	441.76	5,253.32	3,773.76	3,088.16
Order book (WWT)	6,314.93	6,238.10	6,564.47	5,574.20	5,280.90
Operating EBITDA	25.87	30.95	1,716.31	906.30	694.90
Operating EBITDA Margin	5.09% *	7.01%*	32.67%	24.02%	22.50%

* *Not annualised*

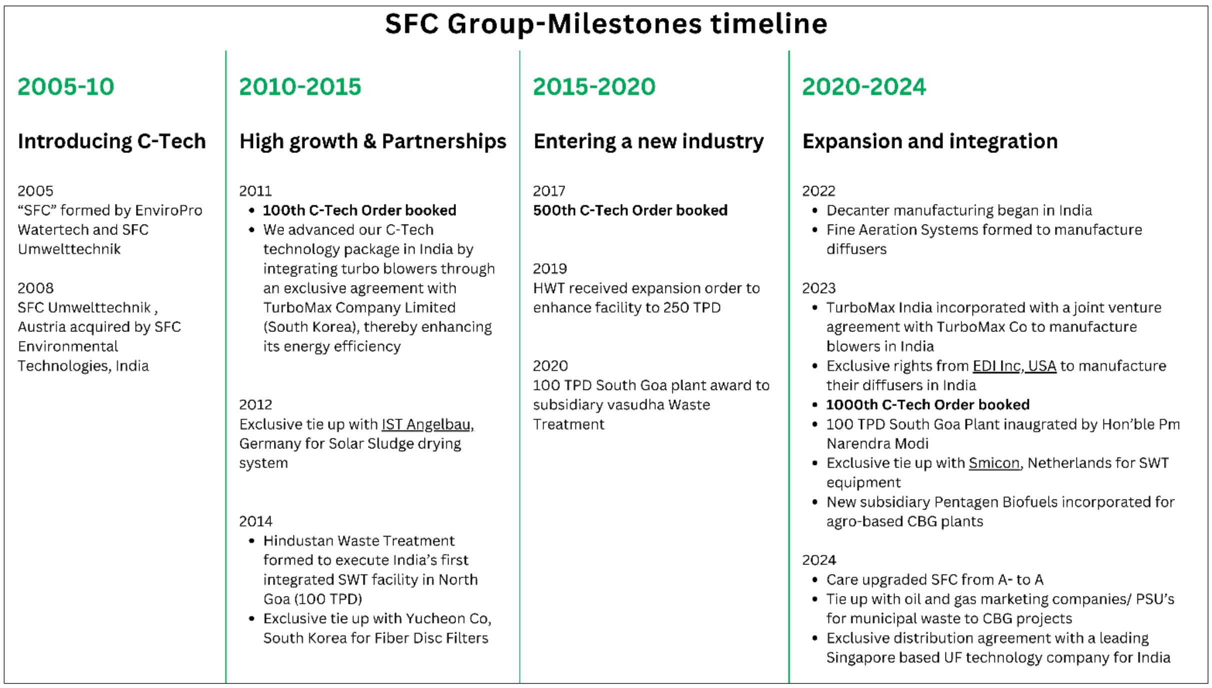
Solid Waste Treatment

(in ₹ million)

Particulars	As at June 30, 2024 / for three months ended June 30, 2024	As at June 30, 2024 / for three months ended June 30, 2023	As at March 31, 2024 / for Fiscal 2024	As at March 31, 2023 / for Fiscal 2023	As at March 31, 2022 / for Fiscal 2022
Revenue from operations	184.97	82.12	501.88	733.42	1,346.81
Operating EBITDA	64.96	21.93	170.08	276.63	389.11
Operating EBITDA Margin	35.12% *	26.71%*	33.89%	37.72%	28.89%

* *Not annualised*

Our evolution



Journey of our WWT business:

In 2005, our Company was incorporated with Enviropro Water Tech Private Limited and SFC Umwelttechnik Gmbh of Austria as our major shareholders, marking the inception of our journey into the environmental technology sector for WWT. We acquired majority of the share capital of SFC Umwelttechnik Gmbh in 2008, which was subsequently increased to 87.24%. Our Company received our first order for C-Tech in 2006, our 100th order in 2011, our 500th order in 2017, and in 2023, we had secured our 1,000th order.

In 2011, we acquired a controlling stake in Chavare Engineering Private Limited, a company engaged in electrical and automation solutions. In 2011, we advanced our C-Tech technology package in India by integrating turbo blowers through an exclusive agreement with TurboMax Company Limited (South Korea), thereby enhancing its energy efficiency. During the same year, we introduced the solar sludge drying system in India through an exclusive partnership with IST Anleganbau GmbH (Germany). In 2014, we entered the tertiary treatment segment with the inclusion of fibre disk filters in India for wastewater reuse through an exclusive supply agreement with Yucheon Enviro Co, Ltd (South Korea) ("**Yucheon**"). We commenced decanter manufacturing in Fiscal 2023 and subsequently expanded our production capacity in Fiscal 2024. The year 2023 marked a major achievement for us, as we secured the order for our 1,000th C-Tech plant. As of September 30, 2024, we have commissioned 621 STPs based on C-Tech technology, with an aggregate treatment capacity of 14,812.86 MLD.

In 2022, we incorporated Fine Aeration Systems Private Limited to manufacture diffusers in India, an essential component of our C-Tech package and in 2024 we were authorised by EDI Inc. USA to manufacture, test and exclusively sell MP-3 MiniPanel and MP-3 Curvilinear Panel diffusers in India and overseas. Fine Aeration Systems Private Limited operates our diffusers manufacturing unit, which commenced operations in Fiscal 2023.

Strengthening our manufacturing capabilities, we incorporated Turbomax India Private Limited to produce turbo blowers in 2022. The turbo blowers manufacturing unit commenced its operations in Fiscal 2023.

With over 19 years of experience in WWT technology, we have expanded our product portfolio by developing in-house manufacturing capabilities and forging exclusive strategic tie-ups. Our commitment to localize manufacturing was recognised at the Dun & Bradstreet award ceremony in 2024, where we were honoured with the 'Champion of the Year' accolade under the Atmanirbhar Abhiyan.

Journey of our SWT business:

In 2014, we entered into the SWT segment with the incorporation of Hindustan Waste Treatment Private Limited ("**HWTPL**") to design, build, finance, operate and transfer a 100 TPD (with capacity to treat an additional 25 TPD) solid waste treatment facility in North Goa, which commenced operations in August 2016. In 2020, we received the EPC contract from GWMC to expand this facility to 250 TPD treatment capacity (with capacity to treat an additional 50 TPD), and the expansion was completed in February 2022.

In 2020, Vasudha Waste Treatment Private Limited ("**VWTPL**") received the contract from GWMC to design, build, finance, operate and transfer a new solid waste treatment facility in South Goa with a treatment capacity of 100 TPD (with capacity to treat an additional 25 TPD). This facility commenced its operations in May 2023. With these contracts, we are operating a cumulative solid waste treatment capacity of 350 TPD with an additional handling capacity of 75 TPD, making our aggregate treatment capacity up to 425 TPD. For further details, see "*Our Integrated Solid Waste Management Facilities - SWT*" on page 273.

In 2023, we formed Pentagen Biofuels Private Limited ("**Pentagen**"), to produce renewable fuels like biogas and bio-CNG from municipal solid waste, industrial wastage, or through renewable energy sources. At present, Pentagen is operating an agro-based biogas plant in Hoshiarpur, Punjab on a lease which converts biomass into biogas, which is then used to generate electricity and supplied to the grid by the lessor under an operation agreement. For further details, see "*Our Bio-Gas Generation Plant – Agro-Waste Treatment*" on page 275.

In 2024, we have signed two memorandums of understanding with two Government of India enterprises to set up compressed biogas plants in India. This enables us to leverage and capitalise synergies in India's promising renewable energy landscape and reflects our enduring commitment to innovation and sustainability.

COMPETITIVE STRENGTHS

1. Technology driven market leadership as a key player in the wastewater treatment market

The pressing issue of water scarcity amplifies the urgency for effective water management practices, driving investment in innovative treatment technologies. (*Source: F&S Report*) Water scarcity is a growing threat across the globe, with burgeoning populations and climate change putting immense strain on freshwater resources. (*Source: F&S Report*) India's water future is poised for positive change, driven by a growing emphasis on wastewater treatment and reuse. (*Source: F&S Report*) By treating wastewater to appropriate standards, it can be used for non-potable purposes like irrigation or industrial processes, essentially creating a new and reliable water source. (*Source: F&S Report*)

With 621 installations commissioned in the WWT segment, particularly in STPs, we hold more than 80% market share in SBR technology, a key wastewater treatment method in India, as of September 2024. (*Source: F&S Report*) Our technologies facilitate the treatment of 14,812.86 MLD of wastewater. (*Source: F&S Report*). We were the first technology provider in the SBR space with the introduction of C-Tech in India in the WWT segment. (*Source: F&S Report*) Our C-Tech technology has been implemented in the large-scale SBR-based STPs in India, including one of the largest STP under development, which has a treatment capacity of 375 MLD wastewater, as of November 2024 (*Source: F&S Report*).

The wastewater treatment industry has maintained a 5.5% CAGR over the past five years and is projected to accelerate to 9.6% growth in the next five years. (*Source: F&S Report*)

2. Backward integration through constant innovation and use of technology

Our in-house suite of technologies, notably the C-Tech and OREX, play a key role in the growth of our business. C-Tech, our proprietary technology is not only superior to conventional systems but also drive significant cost, space, and environmental benefits. (*Source: F&S Report*) Our C-Tech technology, the fourth-generation SBR system, is specifically designed for high-efficiency wastewater treatment. This technology stands out for its ability to handle large volumes of sewage, achieving superior treatment efficiency with a smaller footprint compared to traditional systems. (*Source: F&S Report*) The automation of C-Tech allows for remote monitoring and control, reducing the need for extensive manpower and enabling precise management of the treatment process.

OREX is our proprietary innovation, designed to efficiently separate biodegradable organics from inorganic materials and lignocellulosic fibres from mixed municipal waste. (*Source: F&S Report*) The efficiency of C-Tech manifests in multiple facets of operations. By optimizing treatment processes, C-Tech substantially reduces the operational space required as compared to other conventional technologies, which is particularly beneficial in urban settings where space is a premium commodity. Moreover, the enhanced treatment capabilities through our technologies (C-Tech and OREX) minimizes the environmental impact of waste, aligning with global sustainability standards and reducing ecological footprints. OREX automatically segregates mixed municipal waste into organic (wet) and inorganic (dry) fractions in a single step reducing the need for manual oversight, translating into lower ongoing operational costs and promotion of reuse. (*Source: F&S Report*)

Our approach to backward vertical integration involves the development and manufacture of key components used in our C-Tech and OREX. By controlling the production of these critical components, we ensure quality, reduce dependency on external suppliers, and gain better control over our supply chain. This integration not only secures our operational inputs but also allows us to innovate continuously in component design and functionality, further enhancing the overall system performance.

The adoption of C-Tech and OREX technologies complimented by in-house capabilities to manufacture critical components such as decanters, diffusers, blowers and PLC / SCADA, solar sludge drying systems, underpins our derisked business model. As reflected in "- *Our Evolution*" above, we have developed and added to our in-house manufacturing capabilities over the years and integrated such in-house manufactured components into our technologies, leading to increased performance and cost efficiencies. By utilizing advanced, proprietary technologies, we mitigate risks associated with regulatory compliance, technology obsolescence, and environmental impact. Additionally, our control over the entire value chain—from technology development to component manufacturing and final waste treatment—reduces operational risks and enhances our ability to respond agilely to market changes.

3. High proportion of repeat business with strong order book

We maintain strong, long-standing relationships with our customers, as evidenced by recurring business engagements. Notably, we have sustained continuous business from and have consistently provided services to prominent industry players, including Enviro Control Private Limited, Vishvaraj Environment Private Limited, Khilari Infrastructure Private Limited, SMC Infrastructures Private Limited, Rajkamal Builders Infrastructure Private Limited, Ramky Infrastructure Private Limited, reflecting the trust they place in our expertise and the reliability of our solutions. These enduring relationships are a testament to our commitment to delivering quality and maintaining long-term partnerships. Over the years, we have successfully executed a diverse portfolio of projects spanning various capacities and geographical locations. This underscores our reliability, trustworthiness, and ability to consistently deliver value, solidifying our position as a preferred partner in our industry. *(Source: F&S Report)* We benefit from a strong brand reputation that has been cultivated over more than 19 years of industry presence. *(Source: F&S Report)*

Financial Year	Revenue from repeat customers (in ₹ million)	Revenue from repeat customers as a % of revenue from operations
Three months ended June 30, 2024	383.50	75.48%
FY 2024	4,691.84	89.96%
FY 2023	3,421.83	83.18%

Financial Year	Revenue from repeat customers (in ₹ million)	Revenue from repeat customers as a % of revenue from operations
FY 2022	2,417.20	62.21%

Note: Revenues from repeat customers refer to the revenue generated from customers from whom our Company has derived revenues in any of the three preceding fiscal years for the respective financial year (on standalone basis).

We maintain an order book that reflects our strong market position and operational excellence, and underpins our future growth and profitability. The diversity and volume of our ongoing projects, coupled with a healthy pipeline of upcoming projects, reflects the comprehensive nature of our offerings and our ability to deliver high-quality services across various sectors and geographies and underscore our customers' confidence in our expertise and the high quality of our services. Our current order book includes a wide array of projects across various stages - from those actively under construction to several strategic bids poised for commencement. These projects span diverse geographical locations, reflecting our broad operational footprint and adaptive service capabilities.

Set forth below are our order book details for the WWT segment:

As at	Particulars	Details
March 31, 2024	Order book (in ₹ million)	6,564.47
	As a % of revenue from operations from WWT segment in Fiscal 2024	124.96%
	As a % of total revenue from operations in Fiscal 2024	99.70%
March 31, 2023	Order book (in ₹ million)	5,574.20
	As a % of revenue from operations from WWT segment in Fiscal 2023	147.59%
	As a % of total revenue from operations in Fiscal 2023	107.26%
March 31, 2022	Order book (in ₹ million)	5,280.90
	As a % of revenue from operations from WWT segment in Fiscal 2022	171.00%
	As a % of total revenue from operations in Fiscal 2022	106.31%

As on September 30, 2024, our order book for the WWT segment stood at ₹6,314.93 million.

The sustained demand for our services, combined with our strategic project pipeline and the diversity of our contracts, positions us well to capitalize on future growth opportunities and continue delivering value to our stakeholders.

4. **Proven management experience and leadership**

We are anchored by a strong management team, comprising our Promoters, Board of Directors, Key Managerial Personnel and Senior Management, whose extensive industry experience and leadership have been pivotal in steering us towards sustained growth and market leadership. Our management team's expertise is augmented by a strategically composed Board of Directors, which includes senior executives with experience in business administration roles. In addition, the members of our management team comprise a mix of homegrown and lateral talent who possess complementary skills and have extensive experience and knowledge of our business. Our experienced and dedicated management team also guide and assist us to capture market opportunities, formulate and execute business strategies, manage client expectations as well as proactively manage changes in market conditions.

Our Key Managerial Personnel and Senior Management, majority of whom have been associated with us for more than 15 years, bring a deep understanding of the industry and a steady hand to our operations. This long tenure underscores the stability and continuity within our leadership, fostering a consistent strategic direction. The experience of our senior management not only reinforces our operational foundations but also enriches our strategic initiatives with accumulated wisdom and proven foresight. Supporting our Board of Directors and our Promoters are our experienced Key Managerial Personnel and Senior Management, which hold experience across various functional areas. This layer of management is instrumental in implementing strategic decisions and driving operational efficiencies throughout the organization. Through their expertise we endeavour to meet our standards for quality and performance consistently.

BUSINESS STRATEGIES

1. **Strategic Expansion of In-House Manufacturing Capabilities**

With over 19 years of experience in WWT technology, we have also enhanced our product portfolio through the development of in-house manufacturing capabilities and exclusive strategic tie-ups. Towards this end, we had acquired majority of the share capital of SFC Umwelttechnik Gmbh in 2008, which was subsequently increased to 87.24%. In 2011, acquired a controlling stake in our Subsidiary, Chavare Engineering Private Limited, a company engaged in the electrical and automation solutions. Furthermore, we commenced decanter manufacturing in Fiscal 2023 and expanded our production capacity in Fiscal 2024. In 2022, we incorporated Fine Aeration Systems Private Limited in India to manufacture diffusers, a critical component of our C-Tech package and in 2024 we were authorised by EDI Inc. USA to manufacture, test and exclusively sell MP-3 MiniPanel and MP-3 Curvilinear Panel diffusers in India and overseas. Fine Aeration Systems Private Limited operates our diffusers manufacturing unit, which commenced operations in Fiscal 2023. Strengthening our manufacturing efforts, we entered into a joint venture agreement with TurboMAX Co., Ltd. to produce blowers under Turbomax India Private Limited in 2022. The turbo blowers manufacturing unit commenced operations in Fiscal 2023.

Our Company has successfully built and is continuously developing in-house manufacturing capabilities for key components / products within our WWT offerings. We plan to increase the contribution of in-house manufacturing to the overall procurement requirements. This strategic move is part of our broader initiative to enhance operational efficiency and strengthen our value chain, resulting in overall better and more stable margins.

2. **Our strong technical capabilities to secure and deliver large-scale SWT projects and leverage strategic collaboration with major public-sector undertakings ("PSU") / oil and gas marketing companies ("OGMCs")**

Our strategy for SWT is to secure and deliver large-scale SWT projects by leveraging on:

- ***Huge Market Opportunity***: India generates over 62 million tons (MT) of waste annually with an average annual growth rate of 4%, of which 43 MT gets collected, with 12 MT (~20%) being treated before disposal and the remaining 31 MT (~50%) discarded in waste yards. *(Source: F&S Report)*

- ***CBG Blending Obligation***: In India, the compressed biogas ("**CBG**") blending obligation mandates oil marketing companies to blend CBG into their fuel infrastructure. *(Source: F&S Report)* The mandatory blending obligation will begin in FY 2025-26, starting at 1% and gradually increasing to 5% from FY 2028-29 onwards. *(Source: F&S Report)* This initiative mandates OGMCs to set up projects for CBG production from organic waste and biomass. *(Source: F&S Report)*

- ***Our Technology experience***: We have a demonstrated track record in the solid waste treatment sector, having set up and currently operating two integrated solid waste management plans in Goa, India for GWMC. For further details, see "- *Our Integrated Solid Waste Management Facilities – SWTs*" on page 273.

- ***Tie up with OGMCs***: Our collaborative partnerships with OGMCs are aimed to facilitate access to financial resources, assurance of offtake and scalability.

To further expand our reach and impact, we also plan to partner with city gas distribution companies ("**CGDs**"), which could potentially allow us to benefit from their existing network of gas pipelines to offtake the CBG produced at our planned waste treatment plants.

3. **Leverage national infrastructural needs and replacement demands to fuel growth.**

Our strategic vision is to harness national infrastructural needs, and consequent demand for waste treatment solutions (including replacement demands) as a springboard for growth. This strategy is aimed to position us not only as a leader in environmental solutions but also as a crucial partner in national development projects. Our strategic approach involves capitalizing on emerging opportunities in infrastructure development, aligning with key government initiatives, and innovating to meet the demands of urban expansion and infrastructure renewal. We are strategically positioned to capitalize on the replacement demands by offering modern waste solutions that promise higher efficiency and lower environmental impact. Our strategy is to replace outdated systems with technology that can significantly enhance the operational capacities of existing waste management facilities.

We aim to secure contracts by aligning our offerings with the infrastructural objectives of major national missions such as the Amrut Mission and the National Mission for Clean Ganga. These initiatives also integrated sanitation, urban transformation, and river rejuvenation, all of which are critical components of India's broader infrastructural development plans. *(Source: F&S Report)* By contributing our advanced technological solutions and project management expertise, we aim to not only enhance our market presence but also support the government's agenda for sustainable and inclusive growth.

With rapid urbanization, many Indian cities are facing significant waste management challenges. *(Source: F&S Report)* We are poised to harness this opportunity by offering state-of-the-art waste management solutions that cater to the needs of burgeoning urban areas. Our focus extends to urban expansion projects where our innovative technologies can play a pivotal role in managing the increasing volumes of waste efficiently and sustainably. For instance, the SWT plant operated by our Subsidiary, Hindustan Waste Treatment Private Limited was operationalised in 2016 with a 100 TPD treatment capacity (with capacity to treat an additional 25 TPD). However, owing to the excess collection and increased demand to treat wastes, in 2020, we received the EPC contract from GWMC to expand this facility to 250 TPD treatment capacity (with capacity to treat an additional 50 TPD), and the expansion was completed in February 2022.

Existing infrastructure across many Indian cities requires modernization to meet current environmental and operational standards. *(Source: F&S Report)* By positioning ourselves as a key player in providing waste management solutions for infrastructure projects, our Company aims to further grow its business and presence in India.

4. International expansion in new geographies – Bangladesh, Bhutan, Kenya, Sri Lanka, Middle East and South Asia, while strengthening our presence in existing geographies

Our strategy is to expand our presence in international markets including the Middle East and Africa ("**MEA**") region, and South Asia. This strategic initiative aims to broaden our global footprint, capitalize on emerging market opportunities, and enhance our international market share and profitability.

To accelerate our market penetration and improve our distribution capabilities internationally, we actively seek and evaluate potential upcoming projects, strategic tie-ups and acquisition targets. These initiatives are strategically focused on expanding our product spread and complement our existing product lines. By integrating these businesses into our global operations, we aim to leverage local market expertise, enhance our product offerings, and expand our customer base. These strategic initiatives are designed not only to extend our market presence but also to adapt our operations with additional capabilities that align with local market demands. In the past, we have delivered our WWT solutions in Kenya for a 10 MLD project, aimed at establishing our footprint in the Africa region. In addition, in 2024, we also received an order for WWT solutions for an 80 MLD project in Bangladesh. Going forward, our subsidiary, SFCU plans to expand internationally to South America and Africa regions while catering to the Europe market, and pursue opportunities to secure new projects, leveraging our expertise and comprehensive support to scale operations.

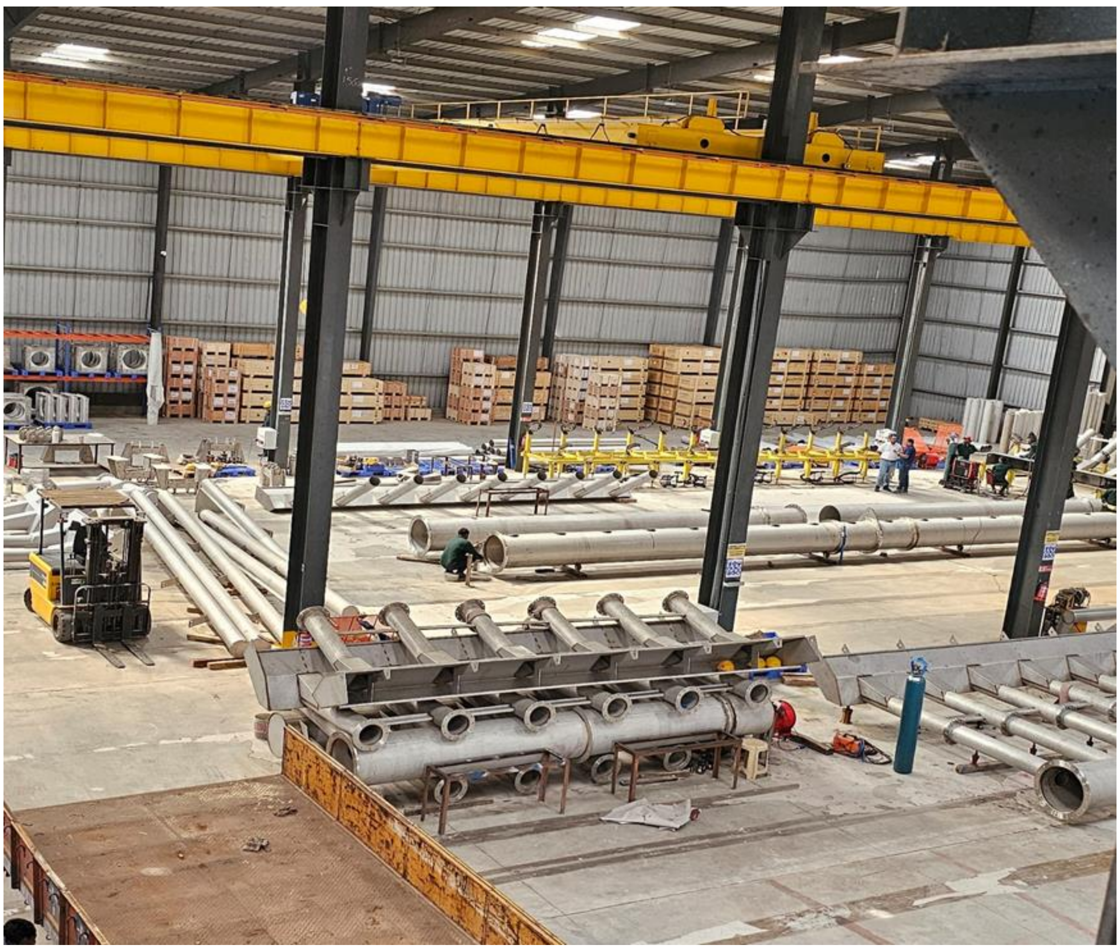
5. Enhance business offerings through forward integration for reuse of wastewater

We are strategically planning to enhance our business offerings for treatment of wastewater, making it suitable for reuse by leveraging advanced technologies such as fibre disc filtrations, membrane-based ultrafiltration, membrane bioreaction and ozonation. Our Company currently produces its ultrafiltration membrane, C-MEM™ at its Czech facility. In line with our commitment towards Make-in-India, our Company intends to shift the production in India. By transitioning manufacturing operations to India, our Company aims to penetrate the Indian market for tertiary wastewater treatment aiming to reduce production costs enabling competitive edge in pricing.

Our Company has recently entered into an exclusive collaboration agreement with a leading ultrafiltration technology company ("**UFC**")for the distribution of its UF membranes in tertiary wastewater treatment projects in India. This exclusive tie-up is expected to strengthen our Company's market position by leveraging our extensive distribution network and technological expertise, and UFC's experience in the global water treatment sector. With this, Company is not only positioning itself to capture a larger share of the growing Indian wastewater market but also advancing into forward integration enabling Company to offer a complete suite of water treatment solutions, from initial sewage treatment to advanced tertiary processes, thereby enhancing its value proposition and market reach.

OUR MANUFACTURING CAPACITY

1. ***Decanter:*** In Fiscal 2023, we set up Phase I of our Pune decanter unit at PAP G/8/7, Chakan Industrial Area, Phase-III, Village - Kuruli, Chakan – 410501 Maharashtra, India ("**Unit I**"), which was used for decanter manufacturing from December 1, 2022 till December 15, 2023. Subsequently, with effect from December 16, 2023, we shifted our decanter manufacturing operations to a larger facility at Phase II of our Pune decanter unit situated at PAP-S-79, Chakan Industrial Area Phase-II, Air Liquide Chowk, Village: Savardari, Chakan - 410501 Maharashtra, India ("**Unit II**") due to increasing production requirements. The Pune decanter units primarily manufacture moving arm decanters, by using stainless steel material, i.e. SS304 and SS316. Manufacturing of moving arm decanters involves different production processes like, cutting, bending, & welding. Our Company uses 100% Tungsten Inert Gas ("**TIG**") welding process for the joining of weld joints of the moving arm decanters. While the laser cutting and bending of components are outsourced from the approved suppliers, other processes are undertaken at the units.



Decanter manufacturing unit

Set forth below are the capacity and capacity utilisation details with respect to our decanter manufacturing units for the three months ended June 30, 2024 and the last three Fiscals:

Decanter – Unit I

Product	Unit of measurement	Period	Particulars	Details
Moving arm Decanter	Meters	Three months ended June 30, 2024$	Installed capacity as on June 30, 2024	90 meters / month
			Actual production in the three months ended June 30, 2024	*(Refer $ note below)*
			Capacity utilisation (%)	*(Refer $ note below)*
		FY 2024@$	Installed capacity as on December 15, 2023	90 meters / month
			Actual production in Fiscal 2024	498.20 meters
			Capacity utilisation (%)	69.19%
		FY 2023#	Installed capacity as on March 31, 2023	90 meters / month
			Actual production in Fiscal 2023	372.80 meters
			Capacity utilisation (%)	103.55%
		FY 2022*	Installed capacity as on March 31, 2022	NA
			Actual production in Fiscal 2022	NA
			Capacity utilisation (%)	NA

**Commenced operations on January 6, 2023 in Fiscal 2023.*

 # Calculated for the period from December 1, 2022 to March 31, 2023.

@Calculated for the period from April 1, 2023 to December 15, 2023, post which decanter manufacturing was shifted to Unit II.

$ The premises of Unit I are presently being used for storage of manufactured decanters, and for manufacturing and assembly of 'solar sludge drying systems' under license from IST Anleganbau GmbH, which commenced in Fiscal 2025 post June 30, 2024.

Decanter – Unit II

Product	Unit of measurement	Period	Particulars	Details
Moving arm Decanter	Meters	Three months ended June 30, 2024	Installed capacity as on June 30, 2024	210 meters / month
			Actual production in the three months ended June 30, 2024	412.00
			Capacity utilisation (%)	65.40%
		FY 2024#	Installed capacity as on March 31, 2024	210 meters / month
			Actual production in Fiscal 2024	717.00 meters
			Capacity utilisation (%)	97.55%
		FY 2023*	Installed capacity as on March 31, 2023	NA
			Actual production in Fiscal 2023	NA
			Capacity utilisation (%)	NA
		FY 2022*	Installed capacity as on March 31, 2022	NA
			Actual production in Fiscal 2022	NA
			Capacity utilisation (%)	NA

**Commenced operations on December 16, 2023 in Fiscal 2024.*

 # Calculated for the period from December 16, 2023 (when decanter manufacturing was shifted to Unit II) to March 31, 2024.

2. **Diffusers:** We incorporated our Subsidiary, Fine Aeration Systems Private Limited, to manufacture diffusers at Unit No. 3, Nissar Industrial Park, Gate No. 404/2/5/1/3, Andori, Satara – 415521 Maharashtra, India. Established on December 22, 2022, the manufacturing unit has an installed capacity to manufacture 10,000 units per month.

Diffuser Manufacturing Unit

Set forth below are the capacity and capacity utilisation details with respect to our diffusers manufacturing unit for the three months ended June 30, 2024 and the last three Fiscals:

Product	Unit of measurement	Period	Particulars	Details
Diffuser assembly and aeration piping	Numbers	Three months ended June 30, 2024	Installed capacity as on June 30, 2024	10,000 nos. / month
			Actual production in the three months ended June 30, 2024	8,817.00
			Capacity utilisation (%)	29.39%
		FY 2024	Installed capacity as on March 31, 2024	10,000 nos. / month
			Actual production in Fiscal 2024	54,996.00
			Capacity utilisation (%)	45.83%
		FY 2023	Installed capacity as on March 31, 2023	10,000 nos. / month
			Actual production in Fiscal 2023	0.00
			Capacity utilisation (%)	0.00%
		FY 2022*	Installed capacity as on March 31, 2022	NA
			Actual production in Fiscal 2022	NA
			Capacity utilisation (%)	NA

* *Commenced operations on April 27, 2023 in Fiscal 2023.*

3. ***Blowers*****:** Through our Associate, Turbomax India Private Limited, we manufacture turbo blowers at D-32, MIDC Phase III, Sagaon, Dombivli East, Dombivli – 421204 Maharashtra, India.

Blower Manufacturing Unit

Set forth below are the capacity and capacity utilisation details with respect to our blowers manufacturing unit for the three months ended June 30, 2024 and the last three Fiscals:

Product	Unit of measurement	Period	Particulars	Details
Turbo blower assembly	Numbers	Three months ended June 30, 2024	Installed capacity as on June 30, 2024	30 nos. / year
			Actual production in the three months ended June 30, 2024	0.00
			Capacity utilisation (%)	0.00%
		FY 2024	Installed capacity as on March 31, 2024	30 nos. / year
			Actual production in Fiscal 2024	6
			Capacity utilisation (%)	20.00%
		FY 2023	Installed capacity as on March 31, 2023	30 nos. / year
			Actual production in Fiscal 2023	0.00
			Capacity utilisation (%)	0.00%
		FY 2022*	Installed capacity as on March 31, 2022	NA
			Actual production in Fiscal 2022	NA
			Capacity utilisation (%)	NA

**Commenced operations on February 15, 2024 in Fiscal 2023.*

4. ***PLC*****:** Through our Subsidiary, Chavare Engineering Private Limited, we manufacture PLC components at D Unit II, Plot No.TS-19, Phase II, MIDC, Sagaon, Dombivli (East) 421 204, Maharashtra, India.

Set forth below are the capacity and capacity utilisation details with respect to our PLC manufacturing unit for the three months ended June 30, 2024 and the last three Fiscals:

Product	Unit of measurement	Period	Particulars	Details
Electronic panels, Boards	Numbers	Three months ended June 30, 2024	Installed capacity as on June 30, 2024	1,375.00
			Actual production in the three months ended June 30, 2024	697.00
			Capacity utilisation (%)	50.69%
		FY 2024	Installed capacity as on March 31, 2024	5,500.00
			Actual production in Fiscal 2024	4,076.00
			Capacity utilisation (%)	74.12%
		FY 2023	Installed capacity as on March 31, 2023	5,500.00
			Actual production in Fiscal 2023	4,558.00
			Capacity utilisation (%)	82.87%
		FY 2022	Installed capacity as on March 31, 2022	5,500.00
			Actual production in Fiscal 2022	1,770.00
			Capacity utilisation (%)	32.18%

5. ***C-MEM Hollow Fibre*****:** Through our Step-Down Subsidiary, SFC Ekotechnika, s.r.o, we manufacture C-MEM Hollow Fibre at Krizikova 2107 256 01 Benesov, Czech Republic.

Set forth below are the capacity and capacity utilisation details with respect to our C-MEM Hollow Fibre facility for the three months ended June 30, 2024 and the last three Fiscals:

Product	Unit of measurement	Period	Particulars	Details
C-MEM Hollow Fibre	Pieces	Three months ended June 30, 2024	Installed capacity as on June 30, 2024	1,500.00
			Actual production in the three months ended June 30, 2024	750.00
			Capacity utilisation (%)	50.00%
		FY 2024	Installed capacity as on March 31, 2024	6,000.00
			Actual production in Fiscal 2024	2,730.00
			Capacity utilisation (%)	45.50%
		FY 2023	Installed capacity as on March 31, 2023	6,000.00
			Actual production in Fiscal 2023	2,100.00
			Capacity utilisation (%)	35.00%
		FY 2022	Installed capacity as on March 31, 2022	6,000.00
			Actual production in Fiscal 2022	3,100.00
			Capacity utilisation (%)	51.67%

OUR INTEGRATED SOLID WASTE MANAGEMENT FACILITIES - SWT

We operate two integrated solid waste management plants in Goa, India.

Through our Subsidiary, Hindustan Waste Treatment Private Limited ("**HWTPL**"), we undertake the treatment of municipal solid waste, at the plant situated at Survey No. 47, Sub Div No. 1, Calangute, Bardez - 403516 North Goa, India ("**North Goa Plant**").

HWTPL entered into a concession agreement dated August 14, 2014 for the design, engineering, financing, construction, supply, installation, commissioning, performance run, and operation and maintenance of a 100 TPD capacity MSW processing facility based on recycle & sorting line, segregation, bio-methanation and in-vessel composting in North Goa district, Goa, with annual operation support grant payable to HWTPL in lieu of the erection and operation of the facility for the tenure of the concession. In addition to the annual operation support grant, we derive our revenues from the North Goa Plant from the collection of tipping fees, sale of electricity generated from biogas, sale of recyclables such as PET flakes, sale of scrap and charges for remediation services. The concession issued to HWTPL provides for Operation and maintenance of the North Goa Plant for a period of 10 years which started from August 2016. In 2020, HWTPL received the contract to expand the North Goa Plant to 250 TPD treatment capacity (with capacity to treat an additional 50 TPD), which expansion was completed in 2022. With a built capacity of 250 TPD, the North Goa Plant can handle and manage an additional 20% of input waste, totaling 300 TPD. Additionally, at the North Goa Plant, PET bottles are processed into PET flakes for yarn manufacturing.

North Goa Plant

Through another Subsidiary, Vasudha Waste Treatment Private Limited ("**VWTPL**"), we undertake the treatment of municipal solid waste, at the plant situated at Survey No. 164/8, 165/1, 167, 168, 169, Curchorem, Cacora – 403706 South Goa, India ("**South Goa Plant**").

VWTPL entered into a concession agreement dated February 20, 2020 for the design, engineering, financing, construction, supply, installation, commissioning, performance run, and operation and maintenance of a 100 TPD capacity MSW processing facility based on recycle & sorting line, segregation, bio-methanation and in-vessel composting in South Goa district, Goa. The concession was issued to VWTPL for a period of 11.5 years from the date when VWTPL takes over the project site for the completion of construction work in 1.5 years and an operational period of 10 years. The South Goa Plant commenced its operations on May 4, 2023, with a built capacity of 100 TPD, and can handle and manage an additional 25% of input waste, totaling 125 TPD of treatment capacity. We derive our revenues from the South Goa Plant from the collection of tipping fees, sale of electricity generated from biogas, sale of scrap and charges for remediation services.

South Goa Plant

OUR BIO-GAS GENERATION PLANT – AGRO-WASTE TREATMENT

Our Subsidiary, Pentagen Biofuels Private Limited ("**Pentagen**"), presently operates an agro-based biogas plant in Hoshiarpur, Punjab on a lease basis, which converts biomass into biogas, which is then used to generate electricity and supplied to the grid. Pentagen has entered into an agreement for operation of power plant with a certain domestic entity involved in biomass based power projects dated September 8, 2023 pursuant to which Pentagen uses its technology and expertise to operate a biogas plant for the generation of electricity.

Bio-Gas Generation Plant

PROCUREMENT

Our key raw materials and components that are externally sourced, may be broadly categorized as follows:

(i) Decanters and core parts – Key raw materials sourced from multiple external vendors
(ii) Diffuser – Key raw materials include membranes, PVC pipes and clamps and are sourced from multiple external vendors
(iii) PLC – Key components include CRCA panel box and electronic hardware and are sourced from multiple external vendors
(iv) Turbo Blowers – Procured from TurboMax Company Limited (South Korea). Further, our Associate, Turbomax India Private Limited, manufactures turbo blowers.
(v) Fiber Disc Filter – Procured from Yucheon Enviro Co. Ltd. (South Korea)
(vi) Spares - Sourced externally from multiple vendors

We have a robust supplier network which includes suppliers, in India and overseas, in over 6 countries, including United States, South Korea, Netherlands, Austria, Germany and China.

Key Components sourced from our Subsidiaries / Associates

(i) Diffusers: Sourced from our Subsidiary - Fine Aeration Systems Private Limited
(ii) PLC: Sourced from our Subsidiary - Chavare Engineering Private Limited.

QUALITY CONTROL

To ensure that our technologies consistently meet global industry standards, in addition to the in-house QA / QC inspection & testing, we engage globally recognized leaders in inspection, verification, testing, and certification services like SGS, Bureau Veritas and TUV for thorough quality assessments. In addition to the quality checks conducted by us and these agencies, our customers are also given the opportunity to perform, if required, independent quality evaluations. This approach not only guarantees adherence to stringent quality norms but also reinforces transparency and trust in our products.

EMPLOYEES

As of September 30, 2024, we employed 178 employees. Our human resource practices are aimed at recruiting talented individuals, ensuring continuous development, and addressing their grievances, if any, in a timely manner. We are anchored by a strong management team, comprising our Promoters, Board of Directors, Key Managerial Personnel and Senior Management, whose extensive industry experience and leadership have been pivotal in steering us towards sustained growth and market leadership. Our skilled workforce, which included 97 engineers as on September 30, 2024, ensures focused and self-motivated task completion.

We regularly train our employees to increase our operational performance, improve productivity and maintain quality and safety compliance standards. We attach significant importance to our employees' health and safety at work as we believe that safe business and production measures minimise operational risks. We monitor data on accidents as well as reported near accidents for the purpose of accident prevention.

INTELLECTUAL PROPERTY

Our Company has the following three registered trademarks:

Registered Trademark	Class of trademark under The Trade Marks Act, 1999	Registering Authority
SFC ENVIRONMENTAL TECHNOLOGIES	40	Trade Marks Registry, Mumbai
C-TECH	99	Trade Marks Registry, Mumbai
OREX	40	Trade Marks Registry, Mumbai

As on the date of this Draft Red Herring Prospectus, our Company has obtained registration for its trademark "**C-TECH**" in the European Union and in Vietnam. Further, our Subsidiary, SFC Umwelttechnik GmbH has made the following applications for patent registration in Europe:

a. Hollow-fibre membrane filtration device and use thereof for purifying waste water, in addition to membrane bioreactor and process for removing iron (II) and/or manganese (II) patent; and

b. Circulating water preparation system, cooling system and method for operating a cooling system.

Further, our Company has filed the applications for registration of the following logos with the Trade Marks Registry, Mumbai:

Trade Mark	Class of trade mark under Trade Marks Act	Registering Authority
	40	Trade Marks Registry, Mumbai

SFC ENERGY & ENVIRONMENT		
SFC ENERGY & ENVIRONMENT	42	Trade Marks Registry, Mumbai

INSURANCE

We maintain insurance coverage that we believe is reasonable and prudent. Our key insurance policies cover general liability, property damage, transport and environmental risks.

The following table illustrates the insurance losses experienced by our Company, on a consolidated basis, in the last three financial years:

Financial period to which the event of loss pertains	Insurance cover for the said loss	Location	Details of loss	Date of Claim	Loss incurred (in ₹ million)	Claim received (in ₹ million)
Three months ended June 30, 2024	No claim	-	-	-	-	-
FY 2023-24	₹250.00 million (Enhanced to ₹350.00 million)	Panvel warehouse	Flood	July 20, 2023	1.97	1.37
FY 2022-23	No Claim	-	-	-	-	-
FY 2021-22	₹150.00 million per transit (Total ₹500.00 million)	Goa	In Transit	October 30, 2021	1.16	1.04

PROPERTIES

Our registered and corporate office is located at The Ambience Court, Hi-Tech Business Park, 21st Floor, Sector 19-D, Plot No. 2, Vashi, Navi Mumbai, Thane 400 705, Maharashtra, India and is our Company's owned premises. Further, pursuant to a leave and license agreement dated April 30, 2024 and executed with Plenitude Financial Services, we have taken on lease Units 2201 and 2202, 22nd Floor, Rupa Renaissance, D-33, D207, Juinagar, MIDC Road, TTC Industrial Area, Navi Mumbai – 400705, Maharashtra, India for a term of 108 months ending May 14, 2033 to set up our upcoming office space.

Our manufacturing facilities are situated on owned and leased properties. Phase I of our Pune decanter unit is situated on a leased premises at PAP G/8/7, Chakan Industrial Area, Phase-III, Village - Kuruli, Chakan – 410501 Maharashtra, India, while phase II of our Pune decanter unit is situated on a leased premises at PAP-S-79, Chakan Industrial Area Phase-II, Air Liquide Chowk, Village: Savardari, Chakan - 410501 Maharashtra, India. Our diffuser manufacturing unit operated by our Subsidiary, Fine Aeration Systems Private Limited is situated on an owned premises at Unit No. 3, Nissar Industrial Park, Gate No. 404/2/5/1/3, Andori, Satara – 415521 Maharashtra, India. The blowers manufacturing unit operated by our Associate, Turbomax India Private Limited is situated on a leased premises at D-32, MIDC Phase III, Sagaon, Dombivli East, Dombivli – 421204 Maharashtra, India. Our PLC components manufacturing unit operated by our Subsidiary, Chavare Engineering Private Limited is situated on owned premises at D Unit II, Plot No.TS-19, Phase II, MIDC, Sagaon, Dombivli (East) 421 204, Maharashtra, India. Further, our Subsidiary, SFC Ekotechnika, s.r.o, manufactures C-MEM Hollow Fibre at its manufacturing unit on a leased premised situated at Krizikova 2107 256 01 Benesov, Czech Republic.

CORPORATE SOCIAL RESPONSIBILITY

We have constituted a CSR Committee of our Board of Directors and have adopted and implemented a CSR Policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The key CSR activities of our Company include promoting education & health care, woman empowerment and contribution to PM CARES Fund.

Our CSR expenditure for the three months ended June 30, 2024, and for the Fiscals 2024, 2023, and 2022 aggregated to ₹0.54 million, ₹18.05 million, ₹12.95 million and ₹7.40 million, respectively.

COMPETITION

WWT: The Indian sewage water treatment sector is witnessing significant growth, driven by stricter environmental regulations, and increasing urbanization. (*Source: F&S Report*) This growth has fostered a diverse market with a range of companies offering various services. (*Source: F&S Report*) According to the F&S Report, some of the leading players in the WWT segment in India, apart from us, include Thermax, Xylem Inc., Praj Industries, Alfa Laval and Ion Exchange.

SWT**:** According to the F&S Report, the Indian waste-to-energy market is fragmented, with key players including our Company, RE Sustainability, JITF Urban Infrastructure, Abellon Clean Energy and Antony Lara Renewable Energy. These companies do processing and recycling of waste and few of them also do collection and transportation. (*Source: F&S Report*) Out of them, RE Sustainability, JITF, and Abellon focus solely on incineration. (*Source: F&S Report*) While majority of the companies use incineration to produce electricity from wastes, we are the only company to use bio-methanation technology to produce Bio-Gas/ electricity, avoiding harmful emissions and ash. (*Source: F&S Report*)

KEY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars and policies which are applicable to our Company and the business undertaken by our Company.

The information detailed in this chapter, is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars and policies which are subject to amendments, changes and/or modifications. The information in this section has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The indicative summary is based on the current provisions of applicable law, which are subject to change or modification or amended by subsequent legislative, regulatory, administrative or judicial decisions.

Laws in relation to our business

The Environment Protection Act, 1986 (the "Environment Protection Act"), Environment Protection Rules, 1986 (the "Environment Protection Rules") and the Environmental Impact Assessment Notification, 2006 ("EIA Notification")

The Environment Protection Act was enacted to provide a framework for co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorises the central government to protect and improve environment quality, control and reduce pollution. The Environmental Protection Act and the Environment Protection Rules made thereunder protect and improve the environment and provides rules for the prevention, control and abatement of environmental pollution, and imposes obligations for the proper handling, storage treatment, transportation and disposal of hazardous wastes. The Environment Protection Act specifies that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of such standards as prescribed. The contravention or failure to comply with the provisions of the Environment Protection Act may attract penalties in the form of imprisonment or fine. Further, the Environment Protection Rules specifies, amongst others, the standards for emission or discharge of environmental pollutants, and restrictions on the handling of hazardous substances in different areas.

Under the EIA Notification, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources by the respective project.

Solid Waste Management Rules, 2016 (the "SWM Rules")

The SWM Rules shall apply to every authority responsible for collection, segregation, storage, transportation, processing and disposal of solid wastes. The operator of a facility involved in collecting, segregating, storing, transporting, processing and disposal solid wastes and any other agency appointed for the management and handling of solid wastes is required to obtain authorizations from the state pollution control board. Any solid waste generated is required to be managed and handled in accordance with the procedures specified in the SWM Rules.

Plastic Waste Management Rules, 2016 (the "PWM Rules")

The PWM Rules are applicable to every waste generator, local body, gram panchayat, manufacturer, importers, brand owner, plastic waste processor (recycler, co-processor, etc) and producer. PWM Rules lays down the process of managing the plastic waste by its manufacturer, importer, generator, amongst others. The PWM Rules specify the rules relating to inter alia conditions for manufacture, import, stocking, distribution, sale and use of carry bags, plastic sheets or like, or cover made of plastic sheet and plastic packaging, single-use plastic. Further, the PWM Rules provides for responsibility of local body, waste generator, producers, importers and brand owners, etc., marking or labelling of plastic packaging, registration of producers, recyclers and manufacturer. Further, the PWM Rules provides for submitting of an annual report in the prescribed form by every person engaged in recycling or processing of plastic waste. It levies environmental compensation based upon polluter pays principle for any non-compliance with the provisions of the PWM Rules.

The Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act")

The Air Act was enacted and designed for the prevention, control and abatement of air pollution and establishes central and state boards for the aforesaid purposes. In accordance with the provisions of the Air Act, any individual, industry or institution responsible for emitting smoke or gases by way of use of fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity.

The Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")

The Water Act was enacted to provide for the prevention and control of water pollution and the maintaining or restoring of wholesomeness of water. Further, the Water Act also provides for the establishment of central pollution control board and state pollution control board with a view to carry out the aforesaid purpose. Any person establishing or taking steps to establish any industry, operation or process, or any treatment and disposal system or extension or addition thereto, which is likely to discharge sewage or trade effluent into a stream, well, sewer or on land is required to obtain the previous consent of the concerned state pollution control board.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Wastes Rules")

The objective of the Hazardous Waste Rules is to control the collection, reception, treatment and storage of hazardous waste. The Hazardous Waste Rules prescribes for every person who is engaged in generation, treatment, processing, package, storage, transportation, use, collection, destruction, conversion, recycling, offering for sale, import, export, transfer or the like of the hazardous and other wastes to obtain an authorisation from the relevant state pollution control board.

The Public Liability Insurance Act, 1991 ("PLI Act") and Public Liability Insurance Rules, 1991 ("PLI Rules")

The primary objective of the PLI Act is to provide public liability insurance for the purpose of providing immediate relief to the persons affected by an accident occurring while handling any hazardous substance and for matters connected therewith or incidental thereto. The PLI Act imposes a duty on the owner, a person who owns or has control over handling hazardous substance at the time of accident, to take out insurance policies before manufacturing, processing, treating, storing, packaging or transporting hazardous substances, for any damage arising out of an accident involving such hazardous substances. The penalties for contravention of the provisions of the PLI Act includes imprisonment or fine or both. Further, the PLI Rules mandate that the owner contributes towards the Environmental Relief Fund for a sum equal to the premium paid on the insurance policies.

Bureau of Indian Standards Act, 2016 (the "BIS Act") and Bureau of Indian Standards Rules, 2018 (the "BIS Rules")

The BIS Act establishes, publishes and regulates national standards to ensure conformity assessment, standardisation, and quality assurance of goods, articles, processes, systems and services. The BIS Act provides for the establishment of a Bureau of Indian Standards ("**Bureau**") for the standardization, marking and quality certification of goods. The BIS Act provides for the functions of the bureau which include, among others (a) adopting as Indian standard, any standard established for any goods, article, process, system or service by any other institution in India or elsewhere; (b) specifying a standard mark to be called the 'Bureau of Indian Standards Certification Mark' which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) making such inspection and taking such samples of any material or substance as may be necessary to see whether any goods, article, process, system or service in relation to which the standard mark has been used conforms to the relevant standard or whether the standard mark has been properly used in relation to any goods, article, process, system or service with or without a license. Further, the BIS Act sets out, inter alia, liability for use of standard mark on products that do not conform to the relevant Indian standard. Any person in contravention to certain provisions of the BIS Act shall be punishable with imprisonment or fine, or with both.

Under the BIS Rules, Bureau shall establish Indian standards in relation to goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian standards and shall further review, periodically, at least once in five years, all established Indian standards to determine the need for revision, amendment, reaffirmation or withdrawal of such standards. The Indian standards are voluntary, and their implementation depends on adoption by concerned parties unless a contrary it is stipulated in a contract or referred to in a legislation or is made mandatory by specific orders of the Government.

The Legal Metrology Act, 2009 (the "Legal Metrology Act") and Legal Metrology (Packaged Commodities) Rules, 2011 (the "Legal Metrology Rules")

The Legal Metrology Act was enacted with the objectives to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act states that any transaction/contract relating to goods/class of goods or undertakings shall be as per the weight/measurement/numbers prescribed by the Legal Metrology Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in rules issued by each state. The Legal Metrology Act provides for imposition of penalty on use of non-standard, or unverified weights and measures, and for making any transaction, deal or contract in contravention of the standards of weights and measures.

The Legal Metrology Rules, framed under the Legal Metrology Act lays down specific provisions applicable to packages intended for retail sale, wholesale packages and for export and import of packaged commodities and also provides for registration of manufacturers and packers. The said rules also lays down specific provisions for e-commerce transactions and online sale of packaged commodities.

The Indian Boilers Act, 1923 ("Boilers Act") and the Indian Boiler Regulations, 1950 ("Boiler Regulations")

The Boilers Act regulates, inter-alia, the manufacture, possession and use of boilers and provides for the safety of life and property from the explosion of steam boilers. In terms of the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use, by an inspector appointed by the relevant State Government. The Boiler Regulations have been framed under the Boilers Act. The Boiler Regulations deal with the materials, procedure and inspection techniques to be adopted for the manufacture of boilers and boiler mountings and fittings.

Coastal Regulation Zone Notification (the "CRZ Notification")

The CRZ Notification was notified on January 18, 2019, by the Ministry of Environment and Forests. The CRZ Notification restricts the setting up and expansion of any industry, operations or processes and the manufacture or handling of oil or storage or disposal of hazardous substances as specified in the Hazardous Substances (Handling, Management and Transboundary Movement) Rules, 2016 in the coastal regulation zone which extends to the coastal stretches of India and water area up to its territorial water limit (excluding the island of Andaman and Nicobar and Lakshadweep and the marine area surrounding these islands up to its territorial limit) (the "**Coastal Regulation Zone**"). The CRZ Notification provides for detailed classification of the Coastal Regulation Zones into different zones for the purpose of conserving and protecting coastal areas and marine waters, and accordingly permits or prohibits the specific activities within each zone.

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All establishments must be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations, as well as the procedures for appeal in relation to such contravention of the provisions.

Labour related legislations

We are subject to various labour laws for the safety, protection, condition of working, employment terms and welfare of labourers and/or employees of us.

The Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "CLRA Act")

The CLRA Act has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA Act applies to every establishment in which 50 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. We are regulated by the provisions of the CLRA Act, and the rules framed thereunder which requires us to be registered as a principal employer and prescribes certain obligations with respect to welfare and health of contract labour. The CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

The Factories Act, 1948 ("Factories Act")

The Factories Act pertains to the regulation of labour in factories. The term 'factory' is defined as any premises where 10 or more workers are working, or were working on any day in the preceding 12 months, and in any part of which a manufacturing process is ordinarily carried on with the aid of power, or where 20 more workers are working, or were working on any day in the preceding 12 months, and in any part of which a manufacturing process is ordinarily carried on without the aid of power. The state governments are empowered to make rules requiring the registration or licensing of factories or any class of factories. The Factories Act requires the occupier of the factory to ensure, as far as is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

We are also subject to other laws concerning condition of working, benefit and welfare of our labourers and employees such as

- the Apprentices Act, 1961;
- the Child and Adolescent Labour (Prohibition and Regulation) Act, 1986;
- the Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- the Employees State Insurance Act 1948;
- the Equal Remuneration Act, 1976;
- the Industrial Disputes Act, 1947;
- the Industrial Employment (Standing Orders) Act, 1946;
- the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- the Maternity Benefit Act, 1961;
- the Minimum Wages Act, 1948;
- the Payment of Bonus Act, 1965;
- the Payment of Gratuity Act, 1972;
- the Payment of Wages Act, 1936;
- the Public Liability Insurance Act, 1991;
- the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- the Trade Unions Act, 1926; and
- the Workmen's Compensation Act, 1923.

In order to rationalise and reform labour laws in India, the Government has enacted the following codes:

- **Code on Wages, 2019**, which regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. It subsumes four existing laws, namely the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976.

- **Industrial Relations Code, 2020**, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

- **Code on Social Security, 2020**, which amends and consolidates laws relating to social security. It governs the constitution and functioning of social security organisations such as the employees' provident fund and the ESIC, regulates the payment of gratuity, the provision of maternity benefits, and compensation in the event of accidents to employees, among others. It subsumes various legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972.

- **Occupational Safety, Health and Working Conditions Code, 2020**, amends and consolidates laws regarding the occupational safety, health and working conditions of persons employed in an establishment. It subsumes various legislations including the Factories Act, 1948, and the Contract Labour (Regulation and Abolition) Act, 1970.

Certain portions of the Code on Wages, 2019 and Code on Social Security, 2020, have come into force upon notification by the Ministry of Labour and Employment. The remainder of these codes shall come into force on the day that the Government shall notify for this purpose.

Intellectual property laws

Intellectual property in India enjoys protection under both common law and statutes. Under statutes, India provides for trademark protection under the Trade Marks Act, 1999. These enactments provide for the protection of intellectual property by imposing civil and criminal liability for infringement.

Trade Marks Act, 1999 and the Trade Marks Rules, 2017

The Trade Marks Act, 1999 as amended (the "**Trade Marks Act**") governs the law pertaining to the protection of trade marks in India. Once a mark is registered, it is valid in India only for a period of 10 years and can be renewed from time to time in perpetuity. Registration of a trade mark grants the owner a right to exclusively use the trade mark as a mark of goods and services and provides for remedies in case of the fraudulent use of deceptively similar marks by any third party. The Trade Marks Rules, 2017 as amended (the "**Trade Marks Rules**") lays down certain guidelines including the process for determination of "well-known trademark", representation of sound marks, recognition of e-mail as a mode of service, new registration fees and mandatory filing of statements of users.

Other laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, relevant central and state tax laws, including the Income Tax Act, 1961, the Income Tax Rules, 1962, and the relevant goods and services tax legislations, Electricity Act, 2003, the National Electricity Policy, manual on water supply and treatment systems issued by Ministry of Housing and Urban Affairs, Government of India, the Competition Act, 2002, the Consumer Protection Act, 2019, the Information Technology Act, 2000, foreign exchange and investment laws, foreign trade laws, relevant fire control and safety regulations and other applicable statutes promulgated by the relevant Central and State Governments.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as '*SFC Environmental Technologies Private Limited*' at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 29, 2005, issued by the RoC. Thereafter, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed in the extraordinary general meeting of our Shareholders held on June 29, 2024 and the name of our Company was changed to '*SFC Environmental Technologies Limited*', and a fresh certificate of incorporation dated August 13, 2024 was issued to our Company by the Registrar of Companies, Central Processing Centre.

Change in registered office of our Company

Except as disclosed below, our Company has not changed its registered office since its incorporation:

Date of Change	Details of change	Reasons for change
October 5, 2005	Registered office of our Company was changed from 8/202, Balaji Garden, Sector 11, Kopar Khairane, Navi Mumbai 400 709, Maharashtra, India to 1201, Krishna Residency, Sector 30, Vashi, Navi Mumbai 400 709, Maharashtra, India	Operational convenience
April 1, 2008	Registered office of our Company was changed from 1201, Krishna Residency, Sector 30, Vashi, Navi Mumbai 400 709, Maharashtra, India to 202, Krishna Regency, Plot Number 40, Sector 30, Vashi, Navi Mumbai 400 703, Maharashtra, India	Operational convenience
January 1, 2010	Registered office of our Company was changed from 202, Krishna Regency, Plot Number 40, Sector 30, Vashi, Navi Mumbai 400 703, Maharashtra, India to The Ambience Court, Hi-Tech Business Park, 21st Floor, Sector 19-D, Plot Number 2, Vashi, Navi Mumbai, Thane 400 705, Maharashtra, India	Purchase of own premises by our Company

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

To carry on in India or abroad the business of providing technology, designing, engineering, procuring, consulting, manufacturing, assembling, fabricating, importing, exporting, distributing, supplying, installing, commissioning, repairing of equipments, devices, systems and its components, constructing, developing, investing, owning, supervising and operating & maintaining of the facilities/utilities and carrying out research & development, for and in relation to treatment of sewage, sludge, industrial wastewater or other types of effluents & contaminated water to make it safe for discharge or reuse and to carry out all activities ancillary or incidental thereto.

To generate energy and recover recyclable/resources from treatment of all types of waste including and not limited to municipal solid waste, and agro waste, agro residue etc. ensuring efficient & environmentally sustainable waste management practices in India or abroad by way of supplying technology, design & engineering, procuring, constructing, developing, investing, owning and operating the facilities for and in relation to treatment of all types of waste and agro residue including manufacturing, assembling, fabricating, importing, exporting, supplying, repairing of equipments, devices and its components in relation thereto, and carrying out all activities ancillary or incidental thereto.

To carry out in India or abroad activities/projects in relation to alternative sources of energy like bio-gas, compressed bio-gas and other forms of renewable energy, automations, energy efficiency, pollution control, resource recovery, recyclables, waste minimization, waste avoidance, emissions abatement and sustainable power and other related areas, development of/contributing to infrastructure/facilities for environmental conservation, sustainability and human well-being.

Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the ten years preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' resolution / Date of change	Nature of Amendment
March 10, 2023#	Clause V of our Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹60,000,000, consisting of 6,000,000 equity shares of ₹10 each to ₹174,000,000, consisting of 17,400,000 equity shares of ₹10 each pursuant to the Scheme of Amalgamation.
June 29, 2024	Clause I of our Memorandum of Association was amended to reflect the change in name of our Company from 'SFC Environmental Technologies Private Limited' to 'SFC Environmental Technologies Limited', pursuant to the conversion of our Company to a public limited company.
	Clause III of our Memorandum of Association was amended to reflect clearly and comprehensively the current business objects pursued by the Company.
September 5, 2024	Clause V of our Memorandum of Association was amended to reflect the subdivision of 17,400,000 equity shares of ₹10 each to 87,000,000 equity shares of ₹2 each.
September 5, 2024	Clause V of our Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹174,000,000 consisting of 870,00,000 equity shares of ₹2 each to ₹250,000,000, consisting of 125,000,000 Equity Shares of ₹2 each.

 # pursuant to the Scheme of Amalgamation sanctioned by the National Company Law Tribunal, Mumbai Bench

Major events and milestones of our Company

The table below sets forth the key events in the history of our Company:

Calendar Year	Particulars
2005	Incorporation of our Company
2006	Secured the 1st C-Tech purchase order of our Company
2008	Acquired majority stake in SFC Umwelttechnik GmbH, Austria
2011	Acquired majority stake in Chavare Engineering Private Limited which provides electrical and automation solutions.
	Exclusive tie up with TurboMax Co. Ltd., South Korea for turbo blowers.
	Secured 100th C-Tech purchase order.
2012	Exclusive tie up with IST Angelbau, GmbH for solar sludge drying system.
2014	Incorporated Hindustan Waste Treatment Private Limited to execute an integrated SWT facility in North Goa.
	Excusive tie up with Yucheon Enviro Co. Ltd (South Korea) for fibre disc filters.
2016	Commenced operations in integrated MSW processing facility with capacity of 100 TPD North Goa facility under Hindustan Waste Treatment Private Limited.
2019	Secured 500th C-Tech purchase order.
2020	Hindustan Waste Treatment Private Limited received expansion order to enhance design capacity of a facility to 250 TPD.
	Order for 100 TPD capacity MSW processing facility in South Goa awarded to Vasudha Waste Treatment Private Limited.
2022	Commenced decanter manufacturing in facilities situated in Pune.
	Incorporated Fine Aeration Systems Private Limited to enabling manufacturing of diffusers in India.
	Formed a joint venture company, Turbomax India Private Limited to manufacture blowers.
	Expanded the capacity of integrated MSW processing facility in North Goa from 100 TPD to 250 TPD, operated and maintained by Hindustan Waste Treatment Private Limited
2023	Secured 1000th C-Tech plant order.
	Company and Fine Aeration Systems Private Limited obtained authorisation to exclusively manufacture and test MP-3 diffusers, by Environmental Dynamics International, Inc., USA..
	Commenced operations of 100 TPD capacity integrated MSW processing facility at South Goa,

	operated and maintained by Vasudha Waste Treatment Private Limited.
	Incorporated Pentagen Biofuels Private Limited for agro-based CBG plants.
	Exclusive tie-up with Smicon, Netherlands for SWT equipment.
2024	Entered into a memorandum of understanding (MoU) with a large Indian oil and natural gas conglomerate for setting up of municipal solid waste plants for producing compressed biogas
	Hindustan Waste Treatment Private Limited entered into a memorandum of understanding (MoU) with a large Indian natural gas conglomerate
	Exclusive Agreement with a leading ultrafiltration technology company for the distribution of its UF membranes.
	Entered into purchase and assignment agreement to acquire SFC Umwelttechnik GmbH, Austria as a wholly owned subsidiary of the Company.
	Company increased shareholding to 80% in Hindustan Waste Treatment Private Limited.
	Company increased shareholding to 100% in Vasudha Waste Treatment Private Limited.

Awards, accreditations or recognitions

The following are the key awards, accreditations and recognitions received by our Company:

Calendar Year	Particulars
2019	Awarded as the Water Technology Company of the Year by CMO global stars of the industry awards for excellence in water.
	ASSOCHAM India water management excellence awards 2019 for Best Technology in Water Reuse.
	Global Water Conservation Award, 2019 by Energy and Environment Foundation for outstanding achievement to achieve water conservation and reduce the environmental footprints in its process.
2024	Atmanirbhar Abhiyan – Champion of the Year award from the business enterprises of tomorrow awards 2024 presented by Bank of Baroda.
	Excellence in Bio-Energy award at the Economic Times Energy Leadership Awards 2024.

Launch of key products or services, entry in new geographies or exit from existing markets, capacity / facility creation or location of plants

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the location of plants see "– *Major Events and Milestones of our Company*" and "*Our Business*" on pages 286 and 253 respectively.

Significant financial or strategic partners

Our Company does not have any significant financial or strategic partners as on the date of filing this Draft Red Herring Prospectus.

Time or cost overruns

Except as disclosed below, there have been no time or cost overruns pertaining in the setting up of projects by our Company since incorporation:

Due, to Covid-19 Pandemic and other external circumstances, Vasudha Waste Treatment Private Limited (in relation to South Goa Plant) and Hindustan Waste Treatment Private Limited (in relation to expansion of North Goa Project) had got extension in timelines from Goa Waste Management Corporation ("**GWMC**") for fulfilling their contractual obligations under respective contracts. The said extended timelines were adhered to. Also, for the aforesaid projects, Vasudha Waste Treatment Private Limited (in relation to South Goa Project) and Hindustan Waste Treatment Private Limited (in relation to expansion of North Goa Plant) made price escalation claims to GWMC pursuant to the project escalation cost as notified by the PWD department, Government of Goa for covid pandemic related escalation.

Defaults or rescheduling / restructuring of borrowings with financial institutions / banks

Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions. The tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled or restructured.

Revaluation of assets

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

Our holding company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Details regarding acquisition or divestment of business or undertakings

Except as disclosed below, there have been no material acquisitions or divestments of business or undertakings by our Company in the last 10 years:

1. Our Company has entered into a purchase and assignment agreement dated October 2, 2024 (**"Agreement"**) with Franz Urstöger and Konrad Wutscher ("**Sellers**") who holds 12.76% of share capital in SFC Umweittechnik Gmbh. Our Company currently holds 87.24% of share capital in SFC Umweittechnik Gmbh. Pursuant to the terms of the Agreement and subject to completion of conditions subsequent, our Company will purchase 12.76% of share capital from the Sellers for a total consideration of EUR 1,11,702.12. Upon completion of the transaction, our Company will hold 100% share capital in SFC Umweittechnik Gmbh.

2. Our Company has entered into a share purchase agreement with SMC Infrastructures Private Limited ("**Seller**"), Hindustan Waste Treatment Private Limited ("**HWT**"), Navitas Waste Treatment Private Limited ("**Navitas**") and Suhas Narayan Mehta, dated October 5, 2023 ("**SPA 1**"). Initially, the Seller held 51% of the equity shareholding in HWT. Pursuant to the terms of the SPA 1, our Company acquired 12,102,400 fully paid-up equity shares of HWT, representing 31% of its share capital from the Seller for a total consideration of ₹151.96 million. Upon completion of this transaction, our Company held a total of 31% equity stake in HWT.

   Subsequently, our Company entered into another share purchase agreement with Navitas and HWT, dated February 26, 2024 ("**SPA 2**"). Navitas, a wholly-owned subsidiary of our Company, initially held 49% of the equity shareholding in HWT. To streamline the ownership structure and remove multiple layers of investments, our Company acquired 19,129,600 fully paid-up equity shares of HWT from Navitas, representing 49% of its equity share capital of HWT, for a total consideration of ₹219.99 million. Pursuant to the completion of this share purchase agreement with Navitas, our Company holds 31,232,000 equity shares of HWT representing 80% of its share capital.

   The details in respect of acquisition of equity shares of HWT have been set out below:

Particulars	Details in respect of the acquisition
Name of acquiree	Hindustan Waste Treatment Private Limited
Relationship of our Promoters or Directors with the Seller and Navitas	At the time of acquisition, one of our Directors, Sandeep Sudhakar Asolkar was also a director in Navitas. None of our Promoters or Directors have any relationship with the Seller.
Summarized information about valuation	Basis SPA 2, the latest valuation of HWT was at ₹448.96 million.
Effective date of transaction	i) October 5, 2023 for the acquisition of 12,102,400 equity shares of HWT by our Company pursuant to the SPA 1. ii) February 26, 2024 for the acquisition of 19,129,600 equity shares of HWT by our Company pursuant to the SPA 2.
Documents pertaining to the acquisition	i) Share purchase agreement dated October 5, 2023 entered into between our Company, the Seller, HWT, Navitas and Suhas Narayan Mehta. ii) Share purchase agreement dated February 26, 2024 entered into between our Company, HWT and Navitas.

3. Our Company entered into a joint venture agreement dated July 28, 2022 with TurboMAX Co., Ltd. ("**TurboMAX**"), (the "**JV Agreement**") a company incorporated under the laws of the Republic of Korea. The JV Agreement established a joint venture company, Turbomax India Private Limited (the "**Turbomax India**"), with its registered office in Mumbai / Navi Mumbai. Turbomax India shall engage in the business of (i) sale, marketing, distribution, manufacture, production control, inspection, quality assurance, quality control and after sales service of air-foil bearing, high speed, variable speed driven centrifugal turbo blowers (the "**Products**") with the capacity of up to 100 horse power, (ii) after sales service of the Products governed under the supply agreement dated March 8, 2021, with the capacity mainly above 100 horse power, and (iii) any other associated businesses within (i) above, within the territory of India.

Mergers or amalgamations

Except as disclosed below, our Company has not been party to any merger or amalgamation in the 10 years preceding the date of this Draft Red Herring Prospectus:

Our Company filed a composite scheme of amalgamation and arrangement ("**Scheme of Amalgamation**") under section 230-232 and other applicable provisions of the Companies Act, 2013, for the amalgamation of Enviropro Water Tech Private Limited ("**First Transferor Company**") and Intergeo Solid Waste Management Private Limited ("**Second Transferor Company**", together with the First Transferor Company, the "**Transferor Companies**") into and with our Company before the National Company Law Tribunal, Mumbai Bench ("**NCLT**"), on April 19, 2022. The Scheme of Amalgamation was approved by our Board on January 4, 2022. Our Company was the Subsidiary of the First Transferor Company, and the Second Transferor Company was the wholly owned subsidiary of our Company and an indirect subsidiary of the First Transferor Company.

Pursuant to the Scheme of Amalgamation, 1,750 fully paid up Equity Shares of ₹10 each of our Company were issued and allotted for every 1,000 fully paid up equity shares of ₹10 each held in the First Transferor Company in consideration for the amalgamation of the First Transferor Company into and with our Company. The Second Transferor Company was a wholly owned subsidiary of our Company, and pursuant to the Scheme, the entire paid up share capital in the Second Transferor Company was cancelled without payment of any consideration.

The rationale of the Scheme of Amalgamation was, inter alia, to consolidate, synergize the operation and holding of, and create a strong financial base for hosting the entire product portfolio under our Company, thereby resulting in unified interface with customers, on-time supplies, efficiency of management and maximising value for the shareholders.

The NCLT sanctioned the Scheme of Amalgamation pursuant to its order dated December 21, 2022 ("**Order**"). The Order was effective on the date of filing of the copy of the Order with the RoC, i.e. on March 10, 2023 being the date on which our Company filed the relevant form with the RoC. Pursuant to the Order, our Company allotted 5,027,418 Equity Shares to the then shareholders of Enviropro Water Tech Private Limited on July 24, 2023. For further details, see "*Capital Structure – Equity Share capital history of our Company*" on page 104.

The details in respect of amalgamation of Enviropro Water Tech Private Limited and Intergeo Solid Waste Management Private Limited into and with our Company have been set out below:

Particulars	Details in respect of the amalgamation
Name of transferor	Enviropro Water Tech Private Limited and Intergeo Solid Waste Management Private Limited
Relationship of our Promoters or Directors with the Transferor Companies	One of our Directors, Sandeep Sudhakar Asolkar was also a director in the Transferor Companies
Summarized information about valuation	The amalgamation was undertaken as per share exchange ratio of 1.75:1 at a valuation of ₹550.85 per share.
Effective date of transaction	March 10, 2023
Documents pertaining to the amalgamation	i) Composite scheme of amalgamation and arrangement, and ii) Valuation report issued by the registered valuer, Bhavesh M Rathod.

Shareholders' agreements

Except as set out below and as disclosed in "- *Details regarding acquisition or divestment of business or undertakings*" and "- *Mergers or amalgamations*" on page 289, there are no other arrangements or agreements, deeds of assignment, acquisition agreements, shareholders' agreements, inter-se agreements, any agreements between our Company, our Promoters and/or our Shareholders, agreements of like nature and/or agreements comprising of material clauses/ covenants which are material to our Company and required to be disclosed in this Draft Red Herring Prospectus or non-disclosure of which may have a bearing on the investment decisions of the prospective investors in the Offer. Further, there are no other clauses/ covenants that are adverse or prejudicial to the interest of the minority and public shareholders of our Company:

Shareholder's agreement dated October 29, 2022, (the "Shareholders' Agreement") entered by and among Enviropro Water Tech Private Limited, our Company, Chandrakant Vallabhaji Gogri on behalf of himself and his affiliates representing the investor group consisting of various individual investors and/or entities who have duly authorised him (the "Investor Group"), Aparna Vivek Kapoor, Rajesh Kesavan Nambisan, Sandeep Sambhaji Parab, Kumaraguru Madurakavi, Subodh Sapre, Sarvesh Kumar Garg, Veera Venkata Satyanarayana Yannamani, Sandeep Sudhakar Asolkar and Saketchandrasingh Pratapsingh Dhandoriya (together with the Investor Group, the "Parties") as amended and modified pursuant to the waiver cum amendment agreement to the Shareholders' Agreement dated August 14, 2024 (the "Amendment Agreement") and second amendment agreement to the Shareholders' Agreement dated November 28, 2024 (the "Second Amendment Agreement")

The Parties have entered into the Shareholders' Agreement to record the terms and conditions on which the investors have subscribed to and purchased the securities, and the rights of the Investor Group in the management of our Company. Prior to the execution of the Shareholders' Agreement, our Company had filed an application before the National Company Law Tribunal, Mumbai bench ("**NCLT**") for amalgamation and arrangement and the Shareholders' Agreement required the promoters (as defined in the Shareholders' Agreement) to not withhold their approvals and to do all acts and deeds to effectuate and expedite the merger of Enviropro Water Tech Private Limited into our Company. Subsequently, this scheme of amalgamation and arrangement was sanctioned by the NCLT. For further details, see "*– Mergers or amalgamations*" on page 289. The Shareholders' Agreement also sets out certain veto rights available with the Investor Group relating to the matters including key decisions with respect to the IPO including but not limited to issue size, issue price, issue type, appointment of financial advisor and issue manager, and decisions for taking up new work orders / projects. Several rights were granted to the Investor Group including, *inter alia*, (i) changes in the capital structure of our Company, (ii) mergers, demergers, restructuring, acquisitions, sale or transfer of any business, (iii) changes to dividend policy or distribution of capital / profits by way of dividends, (iv) any contract / transaction with any related party of ₹0.50 million or more on a cumulative basis in any financial year including any alteration in the compensation structure of the promoters, (v) adoption of financial statements of our Company, and (vi) initiation of any litigation or settlement of claim, the value of which exceeds ₹5.00 million, which our Company, Board or Shareholders may not take any decision on without the prior consent of the Investor Group.

Further, the Shareholders' Agreement also required our Company to get listed on the Stock Exchanges through the IPO route preferably before December 31, 2023. The terms of the Shareholders' Agreement provide for certain transfer restrictions with respect to the transfer of equity shares by the promoters (as defined in the Shareholders' Agreement) and the Investor Group, subject to exceptions provided for the Investor Group members under the Shareholders' Agreement. Further, pursuant to the terms of the Shareholders' Agreement, Sandeep Asolkar, one of our Promoters, is required to hold the position of whole-time chairman or managing director of our Company and the Investor Group has the right to nominate one non-executive director on the Board. Additionally, Investor Group in consonance with the promoters (as defined in the Shareholders' Agreement) hold the right to appoint independent directors at any time prior to the initiation of IPO process, through mutual consent. Further, at least one of such independent directors is required to be appointed as per the nomination / recommendation of the Investor Group. The Shareholders' Agreement also imposed restriction on the working promoters (as defined in the Shareholders' Agreement) from entering into any competing business during the period of employment with our Company and obligated such working promoters to continue to fulfil such conditions up to seven years post termination of their employment.

In view of the Offer, the Parties have entered into the Amendment Agreement and the Second Amendment Agreement, pursuant to which our Company shall be duly listed on the Stock exchanges through IPO before the IPO Long Stop Date, which shall be the date which falls one year from the date when final observations on the Draft Red Herring

Prospectus filed by the Company for the IPO are received from SEBI, unless otherwise extended by the parties in writing. Additionally, the Shareholders' Agreement will be terminated with immediate effect on the date of listing of the Equity Shares on the Stock Exchanges except for the provisions in relation to the day to day management of the Company and few boiler plate clauses such as clauses in relation to governing law, dispute resolution mechanism and notice clause which shall survive the termination of the Shareholders' Agreement.

Pursuant to the Amendment Agreement the parties, to the extent applicable, have waived the veto rights for all key decisions with respect to Offer including but not limited to issue size, issue price, issue type, appointment of financial advisor and issue manager, etc. Further, the Parties, to the extent applicable, have also waived the requirement of consent to be taken for any action in relation to (i) change in capital structure; (ii) any amendment or issuance of the ESOP plan; (iii) changes to dividend policy or distribution of capital profits by dividends; and (iv) adoption of financial statements of the Company.

Further, the Amendment Agreement and the Second Amendment Agreement shall stand terminated with immediate effect in case the (i) Equity Shares are not listed on the Stock Exchanges on or before the IPO Long Stop Date; or (ii) where no draft offer document is filed, and the Board and Selling Shareholders jointly decide not to undertake the Offer; or (iii) where the draft offer document is filed but the Offer is abandoned, withdrawn or is unsuccessful due to any reason. In case of termination of the Amendment Agreement and the Second Amendment Agreement, the Shareholders' Agreement shall (i) be automatically re-instated to the position as it stood immediately prior to the execution of the Amendment Agreement and the Second Amendment Agreement within 15 (fifteen) working days; and (ii) shall be deemed to have been continuing during the period from the date of execution of the Amendment Agreement and the Second Amendment Agreement and their respective dates of termination, without any break or interruption whatsoever. Further, the corporate and organization structure of the Company (including in relation to the Articles) shall be reinstated to the position as it existed one day prior to the date of the Amendment Agreement and the Second Amendment Agreement and the Parties shall initiate all actions for achieving the same within 15 (fifteen) working days of the termination of the Amendment Agreement and the Second Amendment Agreement or such other extended date as may be mutually agreed.

Agreements with Key Managerial Personnel, Senior Management, Director, Promoter or any other employee

Neither our Promoters, nor any of the Key Managerial Personnel, Senior Management, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

Guarantees given by our Promoter Selling Shareholders

Other than as disclosed below, as on the date of this Draft Red Herring Prospectus, the Promoter Selling Shareholders have not given any guarantees to third parties:

S. No.	Guarantee issued by	Guarantee issued in favour of	Borrower	Guarantee amount (in ₹ million)	Type of facility
1.	Sandeep Sudhakar Asolkar and Priya Sandeep Asolkar	Mitcon Credentia Trusteeship Services Limited	Asolkar Tradecraft Private Limited	550.00	Issue of non-convertible debentures by Asolkar Tradecraft Private Limited

The guarantee set out above has been issued in connection with the issue of non-convertible debentures by Asolkar Tradecraft Private Limited, the Promoter Group entity. Pursuant to the terms of the deed of personal guarantee dated February 23, 2024, the obligations of Sandeep Sudhakar Asolkar and Priya Sandeep Asolkar include repayment of the guaranteed amount in case of default by Asolkar Tradecraft Private Limited. The financial implication in case of default by the borrower is that the Mitcon Credentia Trusteeship Services Limited would be entitled to invoke the guarantee to the extent of the guaranteed amount together with any interests, costs or charges. The guarantee is effective for a period until the secured obligations are repaid by the borrower. No consideration has been paid or payable to Sandeep Sudhakar Asolkar and Priya Sandeep Asolkar for providing this guarantee. The issue of non-convertible debentures by Asolkar Tradecraft Private Limited is secured by mortgage on immovable property owned by Sandeep Sudhakar Asolkar, hypothecation on movable assets of Asolkar Tradecraft Private Limited, and pledge on 5.33% shareholding of the Company held by Asolkar Tradecraft Private Limited.

S. No.	Guarantee issued by	Guarantee issued in favour of	Borrower	Guarantee amount (in ₹ million)	Type of facility
1.	Sandeep Sudhakar Asolkar	ICICI Bank Limited	SFC Environmental Technologies Limited	750.00	Working Capital (Fund and Non-Fund based)
2.	Sandeep Sudhakar Asolkar	Axis Bank Limited	SFC Environmental Technologies Limited	640.00	Term Loan & Working Capital (Fund and Non-Fund based)
3.	Sandeep Sudhakar Asolkar	Kotak Mahindra Bank Limited	SFC Environmental Technologies Limited	850.00	Working Capital (Fund and Non-Fund based)
4.	Sandeep Sudhakar Asolkar	ICICI Bank Limited	Pentagen Biofuels Private Limited	21.10	Cash Credit and Term Loan

The guarantees set out above have been issued as security in connection with the facilities availed by our Company and our Subsidiary. Pursuant to the terms of the guarantees, the obligations of our Promoter Selling Shareholder include repayment of the guaranteed sum in case of default by the respective borrowers. The financial implications in case of default by the borrowers are that the lender would be entitled to invoke the guarantees to the extent of the outstanding loan amount, together with any interests, costs or charges due to the respective lenders. The guarantees are effective for a period until the underlying loan is repaid in full by the respective borrowers. Any default or failure by our Company to repay the loans in a timely manner, or at all, could trigger repayment obligations on the part of our Promoter Selling Shareholders. No consideration has been paid or is payable to our Promoter Selling Shareholders for providing these guarantees.

For details of the security in connection with the secured borrowings of our Company, see *"Financial Indebtedness – Principal terms of the borrowings availed by our Company and our Subsidiaries – Security"* on page 476. The borrowings of our Company are typically secured by immovable property, movable fixed assets, inventory and trade receivables.

For further details in relation to the financing arrangements of our Company, see "*Financial Indebtedness*" and "*Restated Consolidated Financial Information*" on pages 476 and 334, respectively.

Other material agreements

Our Company has not entered into any other subsisting material agreement, including with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business.

OUR SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As on the date of this Draft Red Herring Prospectus, our Company has the following Subsidiaries, Associates and Joint Ventures:

Subsidiaries

(i) Fine Aeration Systems Private Limited;
(ii) Hindustan Waste Treatment Private Limited;
(iii) Navitas Waste Treatment Private Limited;
(iv) Pentagen Biofuels Private Limited;
(v) SFC Umwelttechnik GmbH;
(vi) Vasudha Waste Treatment Private Limited; and
(vii) Chavare Engineering Private Limited.

Step-Down Subsidiaries

(i) SFC Ekotechnika, s.r.o. (Czech Reublic)

Chavare Engineering & Endress Plus Hauser JV is a step-down subsidiary of the Company as per Ind AS. Chavare Engineering & Endress Plus Hauser JV is a non-corporate entity (association of persons) and has been consolidated in the Restated Consolidated Financial Information in accordance with the requirement of Ind AS 110 "Consolidated Financial Statement”.

Associates

(i) Turbomax India Private Limited.

Joint Ventures

(i) Endress + Hauser & Chavare Engineering (JV) Private Limited.

Unless stated otherwise, the details in relation to our Subsidiaries, Associates and Joint Ventures provided below are as on the date of this Draft Red Herring Prospectus.

Details of our Subsidiaries

1. Fine Aeration Systems Private Limited

Corporate Information

Fine Aeration Systems Private Limited was incorporated as a private limited company on December 22, 2022, under the Companies Act, 2013 with the Registrar of Companies, Maharashtra at Pune. It bears the corporate identification number U29100PN2022PTC217219. Its registered and corporate office is situated at Unit No. 3 & 4, Nissar Industrial Park, Gat No. 404/2/5/1/3 & 4 Andori, Satara, Khandala 415 521, Maharashtra, India.

Nature of business

Fine Aeration Systems Private Limited is engaged in the business of designing, manufacturing, assembling, testing, supplying, installation and commissioning of diffused aeration systems required for sewage treatment plants and waste water treatment plants.

Capital Structure

The authorised share capital of Fine Aeration Systems Private Limited is ₹1,500,000 divided into 150,000 equity shares of ₹10 each. The issued, subscribed, and paid-up equity share capital of Fine Aeration Systems Private Limited is ₹1,000,000 divided into 100,000 equity shares of ₹10 each.

Shareholding pattern

The shareholding pattern of Fine Aeration Systems Private Limited as on the date of this Draft Red Herring Prospectus is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
SFC Environmental Technologies Limited	51,000	51.00
Sushant SubhashYande	25,000	25.00
Rashmi Sushant Yande	24,000	24.00
Total	**100,000**	**100.00**

2. Hindustan Waste Treatment Private Limited

Corporate Information

Hindustan Waste Treatment Private Limited was incorporated as a private limited company on June 27, 2014, under the Companies Act, 2013 with the Registrar of Companies, Maharashtra at Mumbai. It bears the corporate identification number U90002MH2014PTC255728. Its registered and corporate office is situated at Flat No. 101, 1st Floor, Plot No. 441, Ackruti – SMC, LBS Marg, Khopat, Thane (West), Thane – 400 601, Maharashtra, India.

Nature of business

Hindustan Waste Treatment Private Limited is engaged in the business of design, engineering, fabrication, procurement, equipment supply, erection and commissioning of municipal solid waste ("**MSW**") treatment plants based on different variants of public private partnership contracts model such as built own operate transfer (BOOT), design-built finance operate transfer (DBFOT) or cash contracts such as engineering, procurement and commissioning (EPC) and annuity projects. It also renders all type of services in relation to treatment of municipal solid waste and also carries out operation and maintenance services of MSW plant, processing / treating waste to separate recyclables, convert waste into sustainable energy, generating compost, generating refused derived fuel and remediation/ bio mining of legacy waste dumpsites.

Capital Structure

The authorised share capital of Hindustan Waste Treatment Private Limited is ₹400,000,000 divided into 40,000,000 equity shares of ₹10 each. The issued, subscribed and paid-up equity share capital of Hindustan Waste Treatment Private Limited is ₹390,400,000 divided into 39,040,000 equity shares of ₹10 each.

Shareholding pattern

The shareholding pattern of Hindustan Waste Treatment Private Limited as on the date of this Draft Red Herring Prospectus is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
SFC Environmental Technologies Limited	31,232,000	80.00
Suhas Narayan Mehta	7,808,000	20.00
Total	**39,040,000**	**100.00**

3. Navitas Waste Treatment Private Limited

Corporate Information

Navitas Waste Treatment Private Limited was incorporated as a private limited company on July 25, 2014 under the Companies Act, 2013 with the Registrar of Companies, Maharashtra at Mumbai. It bears the corporate identification number U37100MH2014PTC256611. Its registered and corporate office is situated at The Ambience Court Hi-Tech Business Park, 21st Floor, Sector 19, Vashi, Navi Mumbai, Maharashtra, India – 400705.

Nature of business

Navitas Waste Treatment Private Limited is engaged in the business of carrying on various projects and to render all types of services in relation to treatment of waste and for the said purpose entering into partnership or into any arrangement as holding company/investment company.

Capital Structure

The authorised share capital of Navitas Waste Treatment Private Limited is ₹100,000 divided into 10,000 equity shares of ₹10 each. The issued, subscribed and paid-up equity share capital of Navitas Waste Treatment Private Limited is ₹100,000 divided into 10,000 equity shares of ₹10 each.

Shareholding pattern

The shareholding pattern of Navitas Waste Treatment Private Limited as on the date of this Draft Red Herring Prospectus is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
SFC Environmental Technologies Limited	9,999	99.99
Saketchandrasingh Pratapsingh Dhandoriya (nominee shareholder of the Company)	1	0.01
Total	**10,000**	**100.00**

4. Pentagen Biofuels Private Limited

Corporate Information

Pentagen Biofuels Private Limited was incorporated as a private limited company on April 24, 2023 under the Companies Act, 2013 with the Registrar of Companies, Maharashtra at Pune. It bears the corporate identification number U19201PN2023PTC219898. Its registered and corporate office is situated at Cabin No. 09, Office No. 01, Aster Coworking, S. No. 846, Near Marathwada College, Shivajinagar, Deccan Gymkhana, Pune, Pune City, Maharashtra, India – 411004.

Nature of business

Pentagen Biofuels Private Limited is engaged in the business of designing, engineering, procurement services for upgradation of biogas plants, operations and maintenance services, and energy generation based on treatment of agrowaste / residue.

Capital Structure

The authorised share capital of Pentagen Biofuels Private Limited is ₹50,000,000 divided into 5,000,000 equity shares of ₹10 each. The issued, subscribed and paid-up equity share capital of Pentagen Biofuels Private Limited is ₹20,000,000 divided into 2,000,000 equity shares of ₹10 each.

Shareholding pattern

The shareholding pattern of Pentagen Biofuels Private Limited as on the date of this Draft Red Herring

Prospectus is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
SFC Environmental Technologies Limited	1,999,999	99.99
Sandeep Sudhakar Asolkar (nominee shareholder of the Company)	1	0.01
Total	**2,000,000**	**100.00**

5. SFC Umwelttechnik GmbH

Corporate Information

SFC Umwelttechnik GmbH was incorporated as a limited liability company on November 20, 1991 under the laws of Austria. It bears the unique commercial register number FN 3975h. Its registered and corporate office is situated at Julius-Welser Srasse 15, 5020 Salzburg, Austria.

Nature of business

SFC Umwelttechnik GmbH is engaged in the business of providing environmental technology solutions, equipment and goods for treatment of water and wastewater.

Capital Structure

The authorised share capital of SFC Umwelttechnik GmbH is EUR 875,000. The issued, subscribed and paid-up equity share capital of SFC Umwelttechnik GmbH is EUR 875,000.

Shareholding pattern

The shareholding pattern of SFC Umwelttechnik GmbH as on the date of this Draft Red Herring Prospectus is as provided below:

Name of the shareholder	Percentage of the issued and paid-up share capital (%)
SFC Environmental Technologies Limited	87.23
Konrad Wutscher	6.38
Franz Urstoger	6.38
Total	**100.00**

6. Vasudha Waste Treatment Private Limited

Corporate Information

Vasudha Waste Treatment Private Limited was incorporated as a private limited company on May 26, 2014 under the Companies Act, 2013 with the Registrar of Companies, Maharashtra at Mumbai. It bears the corporate identification number U90000MH2014PTC255305. Its registered and corporate office is situated at Flat No. 101, 1st Floor, Plot No. 441, Ackruti – SMC, LBS Marg, Khopat, Thane (West), Thane, Maharashtra, India - 400601.

Nature of business

Vasudha Waste Treatment Private Limited is engaged in the business of design, engineering, fabrication, procurement, equipment supply, erection and commissioning of municipal solid waste ("**MSW**") treatment plants based on different variants of public private partnership contracts model such as built own operate transfer (BOOT), design built finance operate transfer (DBFOT) or cash contracts such as engineering, procurement and commissioning (EPC) and annuity projects. It also renders all type of services in relation to treatment of municipal solid waste and also carries out operation and maintenance services of MSW plant, processing / treating waste to separate recyclables, convert waste into sustainable energy, generating compost, generating refused derived fuel and remediation/ bio mining of legacy waste dumpsites.

Capital Structure

The authorised share capital of Vasudha Waste Treatment Private Limited is ₹15,000,000 divided into 1,500,000 equity shares of ₹10 each. The issued, subscribed and paid-up equity share capital of Vasudha Waste Treatment Private Limited is ₹10,000,000 divided into 1,000,000 equity shares of ₹10 each.

Shareholding pattern

The shareholding pattern of Vasudha Waste Treatment Private Limited as on the date of this Draft Red Herring Prospectus is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
SFC Environmental Technologies Limited	999,999	99.99
Saketchandrasingh Pratapsingh Dhandoriya (nominee shareholder of the Company)	1	0.01
Total	**1,000,000**	**100.00**

7. Chavare Engineering Private Limited

Corporate Information

Chavare Engineering Private Limited was incorporated as a private limited company on June 21, 1996 under the Companies Act, 1956 with the Registrar of Companies, Maharashtra at Mumbai. It bears the corporate identification number U29100MH1996PTC100426. Its registered and corporate office is situated at Plot No. TS-19, Sagaon, PH Manpada Road, Sagaon (N.V.), Thane, Dombivli, Maharashtra, India – 421204.

Nature of business

Chavare Engineering Private Limited is engaged in the business of designing, manufacturing, supplying, installation and commissioning of process automation systems, which includes control panels, programmable logic controllers, power panels, operating stations and distribution boards.

Capital Structure

The authorised share capital of Chavare Engineering Private Limited is ₹40,000,000 divided into 400,000 equity shares of ₹100 each. The issued, subscribed and paid-up equity share capital of Chavare Engineering Private Limited is ₹40,000,000 divided into 400,000 equity shares of ₹100 each.

Shareholding pattern

The shareholding pattern of Chavare Engineering Private Limited as on the date of this Draft Red Herring Prospectus is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
SFC Environmental Technologies Limited	204,000	51.00
Sanjay R Chavare	73,500	18.37
Rajesh R Chavare	73,500	18.37
Adwait Rajesh Chavare	49,000	12.25
Total	**400,000**	**100.00**

Details of our step-down Subsidiaries

SFC Ekotechnika, s.r.o.

Corporate Information

SFC Ekotechnika, s.r.o. was incorporated as a private limited company on July 12, 1999 at Czech Republic under the laws of Czech Republic. It bears the tax number CZ25569287 and registration number C 147427. Its registered and corporate office is situated at 256 01 Benešov, Křižíkova 2107.

Nature of business

SFC Ekotechnika, s.r.o. is engaged in the business of machining/manufacturing activities in relation to treatment of water and waste water.

Capital Structure

The authorised share capital of SFC Ekotechnika, s.r.o. is CZK 100,000 divided into 100,000 equity shares of CZK 1 each. The issued, subscribed and paid-up equity share capital of SFC Ekotechnika, s.r.o. is CZK 100,000 divided into 100,000 equity shares of CZK 1 each.

Shareholding pattern

The shareholding pattern of SFC Ekotechnika S.R.O. as on the date of this Draft Red Herring Prospectus is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
SFC Umwelttechnik GmbH	100,000	100.00
Total	**100,000**	**100.00**

Details of our Associates

Turbomax India Private Limited

Corporate Information

Turbomax India Private Limited was incorporated as a private limited company on September 14, 2022 under the Companies Act, 2013 with the Registrar of Companies, Maharashtra at Mumbai. It bears the corporate identification number U29308MH2022FTC390451. Its registered and corporate office is situated at The Ambience Court Hi-Tech Business Park, 21st Floor, Sector 19 D, Plot No. 2, Vashi, Thane, Navi Mumbai, Maharashtra, India – 400705.

Nature of business

Turbomax India Private Limited is engaged in the business to manufacture, fabricate, alter, assemble, improve, repair and servicing, prepare for market, buy, sell, import, export and otherwise deal in low-pressure compressor packages (blowers).

Capital Structure

The authorised share capital of Turbomax India Private Limited is ₹16,25,00,000 divided into 1,62,50,000 equity shares of ₹10 each and its issued, subscribed and paid up equity share capital is ₹ 15,85,10,000 divided into 1,58,51,000 equity shares of ₹ 10 each.

Shareholding pattern

The shareholding pattern of Turbomax India Private Limited as on date is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
TurboMAX Co., Ltd.	8,084,010	51.00
SFC Environmental Technologies Limited	7,766,990	49.00
Total	**15,851,000**	**100.00**

Details of our Joint Ventures

Endress + Hauser & Chavare Engineering (JV) Private Limited

Corporate Information

Endress + Hauser & Chavare Engineering (JV) Private Limited was incorporated as a private limited company on September 21, 2018 under the Companies Act, 2013 with the Registrar of Companies, Maharashtra at Mumbai. It bears the corporate identification number U74999MH2018PTC314600. Its registered and corporate office is situated at 7B, 7th Floor, Godrej One Building Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400 079, Maharashtra, India.

Nature of business

Endress + Hauser & Chavare Engineering (JV) Private Limited is engaged in the business of bidding for and undertaking water / waste water automation tenders issued by various governmental authorities of India and in this regard, to carry on in India the business of designing, assembling, integrating, importing, buying, selling, trading, supplying, storing, reselling, marketing, promoting, inspecting, assembling and developing process measuring instruments products, monitoring, controlling, and any other process automation solution system and its spare parts, components, accessories, and any other engineering products connected therewith and rendering services of indenting agents, testing, job work, repairs, maintenance, site survey, erection, commissioning, installation, certification, documentation, presale engineering, post-sale engineering, application engineering, training, and calibration activities, or any other engineering services.

Capital Structure

The authorised share capital of Endress + Hauser & Chavare Engineering (JV) Private Limited is ₹5,000,000 divided into 500,000 equity shares of ₹10 each. The issued, subscribed and paid-up equity share capital of Endress + Hauser & Chavare Engineering (JV) Private Limited is ₹500,000 divided into 50,000 equity shares of ₹10 each.

Shareholding pattern

The shareholding pattern of Endress + Hauser & Chavare Engineering (JV) Private Limited as on the date of this Draft Red Herring Prospectus is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Endress + Hauser (India) Private Limited	25,500	51.00
Chavare Engineering Private Limited	24,500	49.00
Total	**50,000**	**100.00**

Accumulated profits or losses

There are no accumulated profits or losses of any of our Subsidiaries, Associate or Joint Venture that have not been accounted for by our Company in the Restated Consolidated Financial Information as per applicable accounting standards.

Business interest in our Company

Other than as mentioned in this section, and in *"Other Financial Information - Related Party Transactions"* and *"Our Business"* on pages 445 and 253, respectively, our Subsidiaries, Associate or Joint Venture have no business interests in our Company.

Common Pursuits

Except for Fine Aeration Systems Private Limited, Hindustan Waste Treatment Private Limited, Vasudha Waste Treatment Private Limited, Chavare Engineering Private Limited, Pentagen Biofuels Private Limited, SFC Umwelttechnik GmbH, SFC Ekotechnika, s.r.o., Turbomax India Private Limited and Endress + Hauser & Chavare Engineering (JV) Private Limited, none of our Subsidiaries, Associates or Joint Venture are engaged in a business similar to the business of our Company. Our Company shall adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when they arise.

Confirmations

None of our Subsidiaries are listed on any stock exchange in India or abroad.

Further, any of the securities of our Subsidiaries have not been refused listing by any stock exchange in India or abroad, nor have any of our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad, to the extent applicable.

OUR MANAGEMENT

Board of Directors

The Articles of Association of our Company require that our Board shall comprise of not less than three Directors and not more than 15 Directors, provided that our Shareholders may appoint more than 15 Directors after passing a special resolution in a general meeting. As on the date of filing this Draft Red Herring Prospectus, we have eight Directors on our Board, of whom, three are Executive Directors, one is a Non-Executive Director and four are Non-Executive Independent Directors, including one woman Non-Executive Independent Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details of our Board as on the date of this Draft Red Herring Prospectus:

Name, designation, date of birth, age, address, occupation, current term, period of directorship and DIN	Other directorships
Sandeep Sudhakar Asolkar *Designation*: Chairman and Managing Director *Date of birth*: December 5, 1968 *Age*: 55 years *Address*: 27, Udayagiri Society, opposite Telecom Factory, Deonar, Mumbai 400 088, Maharashtra, India *Occupation*: Business *Current term*: For a period of five years with effect from October 27, 2023 *Period of directorship*: Director since incorporation of our Company *DIN*: 00097828	*Indian Companies:* 1. Asolkar Tradecraft Private Limited *Foreign Companies:* Nil
Chandrakant Vallabhaji Gogri *Designation*: Non-Executive Director *Date of birth*: August 16, 1946 *Age*: 78 years *Address*: 1801, Richmond Tower, Cliff Avenue, Hiranandani Garden, Near Hiranandani School, Powai, Mumbai 400 076, Maharashtra, India *Occupation*: Business *Current term*: With effect from November 18, 2023, liable to retire by rotation *Period of directorship*: Director since October 27, 2023 *DIN*: 00005048	*Indian Companies:* 1. Aarti Nature Care Private Limited 2. Aarti Surfactants Limited 3. Alchemie Financial Services Limited 4. Anushakti Enterprise Private Limited 5. Crystal Millennium Realtors Private Limited 6. KJF Shelters Foundation 7. KJF Manavta-NI-Mahek Foundation 8. Parakh Hospitals Private Limited 9. Prozeal Green Energy Private Limited 10. Saswat Trusteeship Private Limited *Foreign Companies:* Nil
Sarvesh Kumar Garg *Designation*: Executive Director *Date of birth*: May 1, 1972	*Indian Companies:* 1. Navitas Waste Treatment Private Limited 2. Turbomax India Private Limited

Name, designation, date of birth, age, address, occupation, current term, period of directorship and DIN	Other directorships
Age: 52 years *Address*: 3/103-104, Kesar Harmony, Plot Number 11/12, Sector 6, Kharghar, Raigad 410 210, Maharashtra, India *Occupation*: Service *Current term*: With effect from December 29, 2020, liable to retire by rotation *Period of directorship*: Director since June 12, 2020 *DIN*: 06873116	*Foreign Companies:* Nil
Saketchandrasingh Pratapsingh Dhandoriya *Designation*: Additional Executive Director *Date of birth*: May 29, 1974 *Age*: 50 years *Address*: Flat Number B-302, Neelsidhi Splendour, Road Number 4, Plot Number 58 and 65, Sector 15, CBD Belapur, Navi Mumbai, Konkan Bhavan, Thane 400 614, India *Occupation*: Service *Current term*: From September 5, 2024 till the next annual general meeting of the Shareholders and liable to retire by rotation *Period of directorship*: Director since September 5, 2024 *DIN*: 06873114	*Indian Companies:* 1. Hindustan Waste Treatment Private Limited 2. Pentagen Biofuels Private Limited 3. Vasudha Waste Treatment Private Limited *Foreign Companies:* Nil
Neha Rajen Gada *Designation*: Non-Executive Independent Director *Date of birth*: March 22, 1976 *Age*: 48 years *Address*: 701, Krishna Kunj, Plot number 49, Road number 9, Brahmanwada, Matunga Central Railway, Mumbai 400 019, Maharashtra, India *Occupation*: Business *Current term*: For a period of one year from with effect from August 14, 2024 *Period of directorship*: Director since August 14, 2024 *DIN*: 01642373	*Indian Companies:* 1. Aarti Drugs Limited 2. Asian Star Company Limited 3. Gala Precision Engineering Limited 4. Infineon Capital Advisors Private Limited 5. JITO Mumbai Midtown Chapter Foundation 6. Motilal Oswal Home Finance Limited 7. Pinnacle Life Science Private Limited 8. Sejal Glass Limited 9. Tamboli Industries Limited (formerly Tamboli Capital Limited) *Foreign Companies:* Nil
Satish Chandrashekhar Deshpande *Designation*: Non-Executive Independent Director	*Indian Companies:* Nil

Name, designation, date of birth, age, address, occupation, current term, period of directorship and DIN	Other directorships
Date of birth: January 25, 1954 *Age*: 70 years *Address*: Flat No. 101, Sneh Kunj, Plot number 78, B Lane, Sector 8, Vashi, Navi Mumbai 400 703, Maharashtra, India *Occupation*: Business *Current term*: For a period of one year from with effect from August 14, 2024 *Period of directorship*: Director since August 14, 2024 *DIN*: 03153724	*Foreign Companies:* Nil
Nandkishor Trivikram Joshi *Designation*: Non-Executive Independent Director *Date of birth*: November 20, 1952 *Age*: 72 years *Address*: RH 3, Om Shiv Parvati CHS, Plot Number 101, Sector 29, Navi Mumbai 400 703, Maharashtra, India *Occupation*: Business *Current term*: For a period of one year from with effect from August 14, 2024 *Period of directorship*: Director since August 14, 2024 *DIN*: 02070242	*Indian Companies:* 1. Common Effluent Treatment Plant (Thane-Belapur) Association 2. Padmaja Areo Biologicals Private Limited 3. Paona Chempro Private Limited 4. Trans Thane Creek Waste Management Association *Foreign Companies:* Nil
Dilip Damodar Karambelkar *Designation*: Non-Executive Independent Director *Date of birth*: December 28, 1954 *Age*: 69 years *Address*: C – 704, Meena towers, Swastik park, Chembur, Mumbai 400 071, Maharashtra, India *Occupation*: Self employed *Current term*: For a period of one year from with effect from August 14, 2024 *Period of directorship*: Director since August 14, 2024 *DIN*: 00970812	*Indian Companies:* 1. Aaswad Prakashan Private Limited 2. Vivek Rural Development Centre 3. Vivek Webmedia Foundation *Foreign Companies:* Nil

Brief profiles of our Directors

Sandeep Sudhakar Asolkar is a Promoter and the Chairman and Managing Director on the Board of our Company. He holds a bachelor's degree in civil engineering from Sardar Patel College of Engineering, University of Bombay. He has completed a senior management programme of the 3-tier programme for management development from

Indian Institute of Management, Ahmedabad. He has received a certificate in business excellence from Columbia Business School in recognition of completing the advanced management program. He has undergone factory training program and is certified to operate and perform maintenance on Energy Recovery Inc. products. Further, he has attended the "Recent Advances in Water and Waste Water Treatment" course organised by the School of Water Sciences, Cranfield University in April 1999. He has over 31 years of experience in the environmental engineering sector. He has previously served as manager – waste water treatment with Ion Exchange (India) Limited, sales engineer with Hindustan Dorr-Oliver Limited, junior engineer (environmental) with Gherzi Eastern Limited and as project engineer with Klean Environmental Consultants Private Limited. He has been awarded the Times Group Trendsetters 2022 award in the field of sewage and solid waste treatment, Entrepreneur of the Year at the Business Enterprises of Tomorrow Awards 2024 presented by Dun & Bradstreet, Inspiring Personalities 2022 by the Economic Times, Maharashtra Achievers' Awards 2021 for leading environmental technology company and has been recognised as Icons of Navi Mumbai by the Economic Times.

Chandrakant Vallabhaji Gogri is a Non-Executive Director on the Board of our Company. He holds a diploma in business management from Ghatkopar Institute of Management, Bombay. He is a promoter of Aarti Drugs Limited, Aarti Industries Limited, Aarti Pharmalabs Limited and Aarti Surfactants Limited. He has been awarded the Lala Shriram National Award 2015 by Indian Institute of Chemical Engineers for leadership in chemical industry and Lifetime Achievement Award 2022 by Federation of Indian Chambers of Commerce and Industry for lifetime contribution to the industry.

Sarvesh Kumar Garg is an Executive Director on the Board of our Company. He holds a bachelor of engineering degree in environmental subject from Kolhapur Institute of Technology's College of Engineering. He has completed a diploma programme on industrial safety from the National Council for Labour Management. He has also completed a course on "Sludge Treatment and Membrane Technology" jointly organised by Dr. Babasaheb Ambedkar Technological University, Lonere, India and School of Water Sciences, Cranfield University, United Kingdom. He has participated in a two-day workshop on "Water and Wastewater Treatment" held by Indian Institute of Chemical Engineers, Mumbai Regional Centre. He has over 26 years of experience in the environmental engineering sector. He has previously served as the deputy manager – process with Aquatech Industries (India) Private Limited, the senior executive - proposals with Ion Exchange (India) Limited, the deputy manager – environment with Paryacon Engineers Private Limited and the engineer (environment) with Premier Energy Technologies Private Limited.

Saketchandrasingh Pratapsingh Dhandoriya is a Promoter and an Additional Executive Director on the Board of our Company. He holds a diploma in mechanical engineering from Board of Technical Examination, Maharashtra. He has over 25 years of experience in the environmental engineering sector. He has been associated with our Company since 2005 and has previously served as manager – field services with Ion Exchange (India) Limited.

Neha Rajen Gada is a Non-Executive Independent Director on the Board of our Company. She is an associate member of the Institute of Chartered Accountants of India ("**ICAI**") and holds the certificate for limited insolvency examination from Insolvency and Bankruptcy Board of India. She has previously served as a manager with Bombay Stock Exchange Limited and is a co-founder in Infineon Capital Advisors Private Limited. She has been awarded the "Card of Recognition" for completing 25 years of membership with the ICAI and first position in the category of "CA Women Independent Director" award conferred by the Women & Young Members Excellence Committee of the ICAI, 2023.

Satish Chandrashekhar Deshpande is a Non-Executive Independent Director on the Board of our Company. He holds a bachelor's degree in engineering from Nagpur University, and a master's degree in technology (public health engineering) from Nagpur University. He is a fellow of the Institution of Engineers (India). Further, he is currently a member of standing committee on premises related procurement which is formulated by Reserve Bank of India and has also served as a chairman of the said committee from January 2021 till January 2024. He holds certification for "Industrial and Municipal Water and Wastewater Treatment Facilities" from the United States Environmental Training Institute from 1993. He has over 36 years of experience. He has previously served as the chief executive officer with OPT Engineers Private Limited, and the chief engineer and general manager (technology) with City and Industrial Development Corporation of Maharashtra Limited, consultant in public health engineering with Shah technical Consultants Private Limited and assistant lecturer with Government Polytechnic, Nagpur. Further, he has been provided with an appreciation letter from City and Industrial Development Corporation of Maharashtra Limited.

Nandkishor Trivikram Joshi is a Non-Executive Independent Director on the Board of our Company. He holds a master's degree in science and a doctorate degree in philosophy (science) from University of Bombay. He has completed the "Center for Urban Environment Workshop" sponsored by the United States Information Agency and the College of Applied Science and Technology, Illinois State University in January 2000. Further, he is the founder of Padmaja Areo Biologicals Private Limited where he has over 17 years of experience as a director.

Dilip Damodar Karambelkar is a Non-Executive Independent Director on the Board of our Company. He holds a bachelor's degree in science and a master's degree in business administration from Shivaji University. He has over 25 years of experience as an editor of, Vivek Weekly. He also serves as a governing body member for Vaidyaraj Vision and Vivek Vyaspeeth.

Details of directorship in companies suspended or delisted

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Draft Red Herring Prospectus, during the term of their directorship in such company.

Further, none of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

Relationships between our Directors and the Key Managerial Personnel or Senior Management

None of our Directors are related to each other or to any of our Key Managerial Personnel or Senior Management.

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Borrowing Powers

At present, our Company's borrowings are within the limits prescribed by the Companies Act and our Articles of Association. Pursuant to our Articles of Association and the applicable provisions of the Companies Act, our Board is authorised to borrow any sum or sums of money from time to time from any or more banks, NBFCs, financial institutions, bodies corporate, mutual funds, or any other entity or person, whether by way of advances, loans, debentures, bonds or otherwise whether unsecured or secured which together with the monies already borrowed do not exceed the sum of ₹5,129.27 million subject to the limits approved under section 180(1)(c) of the Companies Act.

In the event our Company proposes to borrow sums in excess of such limits prescribed by the Companies Act, we will be required to obtain the consent of our shareholders through a special resolution.

Terms of appointment of our Directors

a) **Terms of employment of our Executive Directors**

Sandeep Sudhakar Asolkar, Chairman and Managing Director

Sandeep Sudhakar Asolkar was appointed as the Chairman and Managing Director of our Company pursuant to a resolution passed by our Board of Directors at their meeting held on October 27, 2023, and a resolution passed by our Shareholders at their annual general meeting held on November 18, 2023. He receives remuneration from our Company in accordance with the Board resolution dated August 14, 2024 and the resolution of our shareholders approved in their general meeting held on September 5, 2024. Our Company has set out the terms of his remuneration in accordance with the provisions of sections 196, 197 and 203 read with Schedule V of the Companies Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The details of the remuneration that Sandeep Sudhakar Asolkar is entitled to and the other terms of his employment are enumerated below:

1. Fixed remuneration of ₹33.00 million per annum along with variable remuneration of 0.50% of net profit of our Company.

Sarvesh Kumar Garg, Executive Director

Sarvesh Kumar Garg was appointed as the Executive Director of our Company pursuant to the resolution passed by our Board on June 5, 2020 and the resolution passed by our Shareholders on December 29, 2020. He receives remuneration from our Company in accordance with the Board resolution dated August 14, 2024. Our Company has set out the terms of his remuneration in accordance with the provisions of sections 196, 197 and 203 read with Schedule V of the Companies Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The details of the remuneration that Sarvesh Kumar Garg is entitled to and the other terms of his employment are enumerated below:

1. Fixed remuneration of ₹11.83 million per annum.

Saketchandrasingh Pratapsingh Dhandoriya, Additional Executive Director

Saketchandrasingh Pratapsingh Dhandoriya has been appointed as an Additional Executive Director of our Company pursuant to the resolution passed by our Board on September 5, 2024. He receives remuneration from our Company in accordance with the Board resolution dated September 5, 2024. Our Company has set out the terms of his remuneration in accordance with the provisions of sections 196, 197 and 203 read with Schedule V of the Companies Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The details of the remuneration that Saketchandrasingh Pratapsingh Dhandoriya is entitled to and the other terms of his employment are enumerated below:

1. Fixed remuneration of ₹11.83 million per annum.

b) **Sitting fees and commission to Non-Executive Director and Non-Executive Independent Directors**

Pursuant to a resolution of our Board dated August 14, 2024, our Non-Executive Director is entitled to receive ₹15,000 as sitting fees and for attending each meeting of our Board and the committees constituted of the Board. Further, our Non-Executive Director may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI Listing Regulations.

Pursuant to the Non-Executive Independent Directors appointment letters dated August 14, 2024, our Non-Executive Independent Directors are entitled to receive ₹15,000 as sitting fees and for attending each meeting of our Board and the committees constituted of the Board. Further, our Non-Executive Independent Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI Listing Regulations.

Our Company has not entered into any contract appointing or fixing the remuneration of a Director, whole-time director, or manager in the two years preceding the date of this Draft Red Herring Prospectus.

Payments or benefits to our Directors

a) **Executive Directors**

The table below sets forth the details of the remuneration (including sitting fees, salaries, commission and perquisites, professional fee, consultancy fee, if any) paid to our Executive Directors for the Fiscal 2024:

S. No.	Name of the Executive Director	Remuneration for Fiscal 2024 (in ₹ million)
1.	Sandeep Sudhakar Asolkar	33.00
2.	Sarvesh Kumar Garg	11.83

Our Additional Executive Director, Saketchandrasingh Pratapsingh Dhandoriya, was appointed on the Board pursuant to a resolution passed by our Board of Directors at their meeting held on September 5, 2024 therefore he was not entitled to receive the remuneration for Fiscal 2024 as an Additional Executive Director. However, he was paid ₹11.83 million in Fiscal 2024 in his capacity as an employee of our Company.

b) **Non-Executive Directors**

The table below sets forth the details of the remuneration (including sitting fees and commission) paid to our Non-Executive Directors for the Fiscal 2024:

S. No.	Name of the Director	Designation of Director	Remuneration for Fiscal 2024 (in ₹ million)
1.	Chandrakant Vallabhaji Gogri	Non-Executive Director	Nil

Our Non - Executive Independent Directors were appointed on the Board pursuant to a resolution passed by our Board of Directors at their meeting held on August 14, 2024, and a resolution passed by our Shareholders at their annual general meeting held on September 5, 2024, therefore none of our Non - Executive Independent Directors were entitled to receive a remuneration for Fiscal 2024.

Remuneration paid or payable to our Directors by our Subsidiaries or Associates:

No remuneration has been paid to our Directors by any of our Subsidiaries or Associates in Fiscal 2024

Contingent and deferred compensation payable to the Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Bonus or profit-sharing plan for our Directors

Except as set out in "*– Terms of appointment of our Directors*" on page 305, our Company does not have any performance linked bonus or a profit-sharing plan in which our Directors have participated.

Shareholding of Directors in our Company

The table below sets forth details of Equity Shares held by the Directors as on date of this Draft Red Herring Prospectus:

Name	No. of Equity Shares	Percentage of the pre-Offer paid up share capital (%)	Percentage of the post-Offer paid up share capital (%)*
Sandeep Sudhakar Asolkar(1)	31,585,470	33.81	[●]
Chandrakant Vallabhaji Gogri(2)	6,600,225	7.06	[●]
Sarvesh Kumar Garg	5,527,215	5.92	[●]
Saketchandrasingh Pratapsingh Dhandoriya	8,434,125	9.03	[●]
Neha Rajen Gada(3)	37,500	0.04	[●]

*** *Subject to finalisation of Basis of Allotment.***

(1) *Out of 31,585,470 Equity Shares held by Sandeep Sudhakar Asolkar, he individually holds 13,500,000 Equity Shares aggregating to 14.45% of the pre-Offer paid up share capital of our Company; and he jointly with Priya Sandeep Asolkar, one of our Promoters, holds 18,085,470 Equity Shares aggregating to 19.36% of the pre-Offer paid up share capital of our Company.*

(2) Out of 6,600,225 Equity Shares held by Chandrakant Vallabhaji Gogri, he jointly holds (i) 5,749,350 Equity Shares with Jaya Chandrakant Gogri and Hetal Gogri Gala, aggregating to 6.15% of the pre-Offer paid up share capital of our Company, and (ii) 850,875 Equity Shares with Jaya Chandrakant Gogri, aggregating to 0.91% of the pre-Offer paid up share capital of our Company.
(3) Out of the cumulative 37,500 Equity Shares held by Neha Rajen Gada, 18,750 Equity Shares are held by Neha Rajen Gada jointly with Rajen Hemchand Gada (Neha Rajen Gada being the first holder) and 18,750 Equity Shares are held by Rajen Hemchand Gada jointly with Neha Rajen Gada (Rajen Hemchand Gada being the first holder).

Our Articles of Association do not require our Directors to hold qualification shares.

Interest of Directors

All our Directors may be deemed to be interested to the extent of fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration, commission and reimbursement of expenses, if any, payable to them by our Company. Sandeep Sudhakar Asolkar, Saketchandrasingh Pratapsingh Dhandoriya and Sarvesh Kumar Garg may be deemed to be interested to the extent of remuneration paid to them for services rendered as officers of our Company. For further details, see "*Restated Consolidated Financial Information – Note 52 - Related Party Disclosures*" on page 408.

Our Directors may also be regarded as interested to the extent of the Equity Shares, if any, held by them and to the extent of any dividend payable to them and other distributions in respect of these Equity Shares. For further details regarding the shareholding of our Directors, see "*Shareholding of Directors in our Company*" on page 307.

Further, Sarvesh Kumar Garg is a director on the board of our Subsidiary, Navitas Waste Treatment Private Limited and on the board of our Associate, Turbomax India Private Limited and Saketchandrasingh Pratapsingh Dhandhoriya is a director on the board of our Subsidiaries, namely – (a) Hindustan Waste Treatment Private Limited, (b) Pentagen Biofuels Private Limited and (c) Vasudha Waste Treatment Private Limited.

Further, our Directors are also directors on the boards, or are shareholders, trustees or members of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details, see "*Restated Consolidated Financial Information – Note 52 Related Party Disclosures*" on page 408."

Except to the extent of the sale of Equity Shares in the Offer for Sale by Sandeep Sudhakar Asolkar, Chandrakant Vallabhaji Gogri, Saketchandrasingh Pratapsingh Dhandoriya and Sarvesh Kumar Garg who are also Directors of our Company, there is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Offer. Further, our Director, Chandrakant Vallabhaji Gogri is also a trustee in Parindu Bansilal Gogri Trust who is also participating in the Offer for Sale.

Interest in promotion of our Company

As on the date of this Draft Red Herring Prospectus, except for Sandeep Sudhakar Asolkar and Saketchandrasingh Pratapsingh Dhandoriya who are the Promoters of our Company, none of our other Directors are interested in the promotion of our Company. For further details, see "*Our Promoters and Promoter Group*" on page 324.

Interest in land and property

Our Directors do not have any interest in any property acquired or proposed to be acquired by our Company.

Further, our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Draft Red Herring Prospectus.

Loans to Directors

As on the date of this Draft Red Herring Prospectus, no loans have been availed by our Directors from our Company.

Other confirmations

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce such Director to become or to help such Director qualify as a Director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Changes to our Board in the last three years

Except as mentioned below, there have been no changes in our Directors in the last three years:

Name	**Designation (at the time of appointment / change in designation / cessation)**	**Date of appointment / change in designation / cessation**	**Reason**
Chandrakant Vallabhaji Gogri	Additional Director	October 27, 2023	Appointment as Non-Executive Director
Sandeep Sambhaji Parab	Executive Director	November 6, 2023	Resignation due to reconstitution of the Board as per the Shareholders' Agreement
Veera Venkata Satyanarayana Yannamani	Executive Director	November 6, 2023	Resignation due to reconstitution of the Board as per the Shareholders' Agreement
Sandeep Sudhakar Asolkar	Managing Director	October 27, 2023	Change in designation from Managing Director to Chairman and Managing Director
Neha Rajen Gada	Additional (Non-Executive Independent) Director	August 14, 2024	Appointment as an additional Non-Executive Independent Director
Satish Chandrashekhar Deshpande	Additional (Non-Executive Independent) Director	August 14, 2024	Appointment as an additional Non-Executive Independent Director
Nandkishor Trivikram Joshi	Additional (Non-Executive Independent) Director	August 14, 2024	Appointment as an additional Non-Executive Independent Director
Dilip Damodar Karambelkar	Additional (Non-Executive Independent) Director	August 14, 2024	Appointment as an additional Non-Executive Independent Director
Saketchandrasingh Pratapsingh Dhandoriya	Additional (Executive Director)	September 5, 2024	Appointment as an additional Executive Director

Note: This table does not include details of regularisations of additional Directors.

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof.

As on the date of filing this Draft Red Herring Prospectus, we have eight Directors on our Board, of whom three are Executive Directors, one is a Non-Executive Director and four are Non-Executive Independent Directors, including one woman Non-Executive Independent Director.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following committees of our Board:

(a) Audit Committee
(b) Nomination and Remuneration Committee
(c) Stakeholders' Relationship Committee
(d) Corporate Social Responsibility Committee
(e) Risk Management Committee

For purposes of the Offer, our Board has also constituted an IPO Committee.

(a) Audit Committee

The Audit Committee was constituted by our Board through its resolution dated September 5, 2024. It is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The current constitution of the Audit committee is as follows:

The members of the Audit Committee are:

Name of Director	Position in the Committee	Designation
Neha Rajen Gada	Chairperson	Non-Executive Independent Director
Sandeep Sudhakar Asolkar	Member	Chairman and Managing Director
Dilip Damodar Karambelkar	Member	Non-Executive Independent Director
Satish Chandrashekhar Deshpande	Member	Non-Executive Independent Director

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Its terms of reference are as follows:

Powers of Audit Committee

The Audit Committee shall have powers, which should include the following:

(a) To investigate any activity within its terms of reference;
(b) To seek information from any employee of the Company;
(c) To obtain outside legal or other professional advice;
(d) To secure attendance of outsiders with relevant expertise, if it considers necessary; and
(e) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

(a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;

(c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134(3) of the Companies Act, 2013;

- Changes, if any, in accounting policies and practices and reasons for the same;

- Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;

- Significant adjustments made in the financial statements arising out of audit findings;

- Compliance with listing and other legal requirements relating to financial statements;

- Disclosure of any related party transactions; and

- Qualifications / modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(f) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the monitoring agency report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use / application of the funds raised through the proposed initial public offer by the Company;

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) Formulating a policy on related party transactions, which shall include materiality of related party transactions;

(i) Approval or any subsequent material modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed under the SEBI Listing Regulations. Provided that only those members of the committee, who are independent directors, shall approve related party transactions;

Explanation*: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act.*

(j) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(k) Scrutiny of inter-corporate loans and investments;

(l) Undertaking or supervising valuation of undertakings or assets of the Company, wherever it is necessary;

(m) Evaluation of internal financial controls and risk management systems;

(n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(p) Discussion with internal auditors of any significant findings and follow up there on;

(q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(r) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(t) Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

(u) Reviewing the functioning of the whistle blower mechanism;

(v) Approval of the appointment of the Chief Financial Officer of the Company ("**CFO**") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;

(w) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;

(x) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;

(y) Overseeing a vigil mechanism established by the Company, providing for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee for directors and employees to report their genuine concerns or grievances;

(z) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc., on the Company and its shareholders;

(aa) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

(bb) reviewing compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively;

(cc) approving the key performance indicators for disclosure in its offering documents;

(dd) Carrying out any other functions and roles as required to be carried out by the Audit Committee as may be decided by the Board as per the Companies Act, the SEBI Listing Regulations, each as amended and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties; and

(ee) To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

The Audit Committee shall mandatorily review the following information:

(a) Management discussion and analysis of financial condition and results of operations;

(b) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;

(c) Internal audit reports relating to internal control weaknesses;

(d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;

(e) Statement of deviations:

- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

- annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice, certified by the statutory auditors of the Company, in terms of Regulation 32(7) of the SEBI Listing Regulations; and

(f) Quarterly statement of variation for public issue, rights issue and preferential issue indicating category wise variation (capital expenditure, sales and marketing, working capital, etc.) between projected utilisation of funds and the actual utilisation of funds, before the submission to stock exchange(s); and

(g) Such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Company Secretary of our Company shall serve as the secretary of the Audit Committee. The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

(b) Nomination and Remuneration Committee

The Nomination and Remuneration committee was constituted by our Board through its resolution dated September 5, 2024. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The current constitution of the Nomination and Remuneration committee is as follows:

Name of Director	Position in the Committee	Designation
Dilip Damodar Karambelkar	Chairperson	Non-Executive Independent Director
Chandrakant Vallabhaji Gogri	Member	Non-Executive Director
Nandkishor Trivikram Joshi	Member	Non-Executive Independent Director
Satish Chandrashekhar Deshpande	Member	Non-Executive Independent Director

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013, read with Regulation 19 of the SEBI Listing Regulations. Its terms of reference are as follows:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

(b) Formulation of criteria for evaluation of performance of independent directors and the Board;

(c) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

(i) use the services of an external agencies, if required;

(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(iii) consider the time commitments of the candidates.

(d) Devising a policy on diversity of the Board;

(e) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(f) Analysing, monitoring and reviewing various human resource and compensation matters;

(g) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(h) Recommending the remuneration, in whatever form, payable to the senior management and other staff (as deemed necessary);

(i) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(j) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(k) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(l) Administering, monitoring and formulating the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the applicable laws ("**ESOP Scheme**")

(i) Determining the eligibility of employees to participate under the ESOP Scheme;

(ii) Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

(iii) Date of grant;

(iv) Determining the exercise price of the option under the ESOP Scheme;

(v) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

(vi) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

(vii) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

(viii) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

(ix) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;

(x) The grant, vest and exercise of option in case of employees who are on long leave;

(xi) Allow exercise of unvested options on such terms and conditions as it may deem fit;

(xii) The procedure for funding the exercise of options;

(xiii) Forfeiture/ cancellation of options granted;

(xiv) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action; and

- the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(m) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(n) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;

(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended; and

(c) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

by the Company and its employees, as applicable;

(o) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee;

(p) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Nomination and Remuneration Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

(c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by our Board through its resolution dated September 5, 2024. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The current constitution of the Stakeholders' Relationship Committee is as follows:

Name of Director	Position in the Committee	Designation
Nandkishor Trivikram Joshi	Chairperson	Non-Executive Independent Director
Sarvesh Kumar Garg	Member	Executive Director
Chandrakant Vallabhaji Gogri	Member	Non-Executive Director
Satish Chandrashekhar Deshpande	Member	Non-Executive Independent Director

The scope and function of the Stakeholders' Relationship Committee is in accordance with Regulation 20 of the SEBI Listing Regulations. Its terms of reference are as follows:

(a) redressal of all security holders' and investors' grievances such as complaints related to transfer/transmission of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, dematerialisation and re-materialisation of shares, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, issue of new/duplicate certificates, general meetings, etc., and assisting with quarterly reporting of such complaints;

(b) reviewing of measures taken for effective exercise of voting rights by shareholders;

(c) investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(d) giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(e) reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(f) reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

(g) considering and specifically looking into various aspects of interest of shareholders, debenture holders or holders of any other securities;

(h) formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(i) to approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the Committee by the Board from time to time;

(j) to monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company;

(k) to further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s) or agent(s);

(l) carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or the SEBI Listing Regulations, or by any other regulatory authority; and

(m) such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Stakeholders' Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

(d) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by our Board through its resolution dated June 10, 2014 and was last reconstituted pursuant to a resolution passed by our Board on September 30, 2024. The current constitution of the Corporate Social Responsibility Committee is as follows:

Name of Director	Position in the Committee	Designation
Sandeep Sudhakar Asolkar	Chairperson	Chairman and Managing Director
Nandkishor Trivikram Joshi	Member	Non-Executive Independent Director

Name of Director	Position in the Committee	Designation
Satish Chandrashekhar Deshpande	Member	Non-Executive Independent Director
Dilip Damodar Karambelkar	Member	Non-Executive Independent Director

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013. Its terms of reference are as follows:

(a) To formulate and recommend to the Board, a corporate social responsibility policy stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;

(b) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(c) To recommend the amount of expenditure to be incurred for the corporate social responsibility activities referred to in clause (a), being at least two-percent of the average net profits of the Company made during the three immediately preceding financial years in pursuance of its corporate social responsibility and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(d) To formulate and recommend to the Board, an annual action plan in pursuance to the corporate social responsibility policy, which shall include the following, namely:

(i) the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Companies Act, 2013;

(ii) the manner of execution of such projects or programmes as specified in Rule 4(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014;

(iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;

(iv) monitoring and reporting mechanism for the implementation of the projects or programmes; and

(v) details of need and impact assessment, if any, for the projects undertaken by the company.

Provided that the Board may alter such plan at any time during the financial year, as per the recommendations of the Corporate Social Responsibility Committee, based on the reasonable justification to that effect.

(e) Identifying and appointing the corporate social responsibility team of the Company and delegate responsibilities to such team and supervise proper execution of all delegated responsibilities;

(f) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

(g) To take note of the compliances made by implementing agency (if any) appointed for the corporate social responsibility of the Company;

(h) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred or perform such responsibilities as may be required by the corporate social responsibility committee in terms of the provisions of Section 135 of the Companies Act; and

(i) Such terms of reference as may be prescribed under Section 135 of the Companies Act.

(e) Risk Management Committee

The Risk Management Committee was constituted by our Board through its resolution dated September 5, 2024. The Risk Management Committee is in compliance with Regulation 21 of the SEBI Listing Regulations. The current constitution of the Risk Management Committee is as follows:

Name of Director	Position in the Committee	Designation
Sarvesh Kumar Garg	Chairperson	Executive Director
Dilip Damodar Karambelkar	Member	Non-Executive Independent Director
Neha Rajen Gada	Member	Non-Executive Independent Director
Amit Anil Sawant	Member	Chief Financial Officer

The scope and function of the Risk Management Committee is in accordance with Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee shall be responsible for, among other things, the following:

(i) To formulate a detailed risk management policy which shall include:

- framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, Environmental, Social and Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the committee;

- measures for risk mitigation including systems and processes for internal control of identified risks; and

- business continuity plan.

(ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(iii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(v) To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

(vi) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.

(vii) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

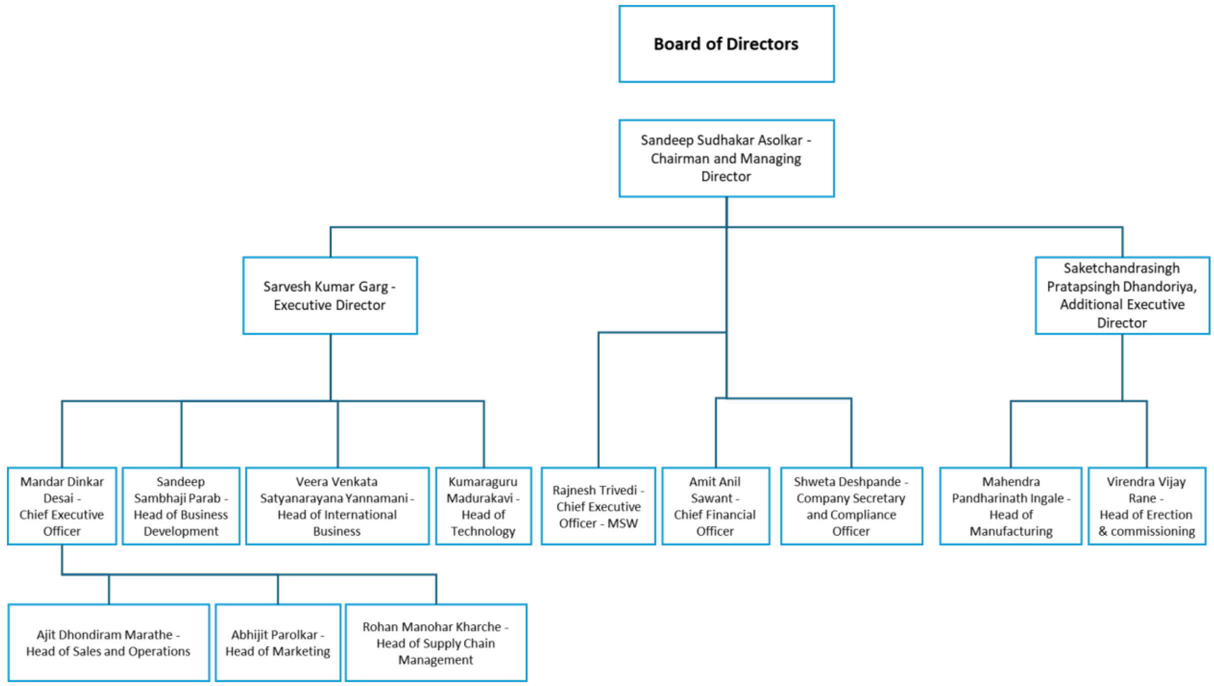
(viii) Laying down risk assessment and minimization procedures and the procedures to inform Board of the same;

(ix) Framing, implementing, reviewing and monitoring the risk management plan for the Company and such other functions, including cyber security, as may be delegated by the Board; and

(x) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee.

The Risk Management Committee is required to meet at least twice in a year under Regulation 21(3A) of the SEBI Listing Regulations.

Management organization chart



Key Managerial Personnel and Senior Management

Key Managerial Personnel

In addition to Sandeep Sudhakar Asolkar, the Chairman and Managing Director, Saketchandrasingh Pratapsingh Dhandoriya, the Additional Executive Director and Sarvesh Kumar Garg, the Executive Director of our Company, whose details are provided in "– *Brief profiles of our Directors*" on page 303, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

Amit Anil Sawant is the Chief Financial Officer of our Company. He has been associated with our Company since November 11, 2023. He handles finance and accounts. He is a fellow member of the Institute of Chartered Accountants of India. He has approximately four years of experience in the finance sector. Before his association with our Company, he has previously served as the partner at GBCA & Associates LLP, Chartered Accountants. The remuneration paid to him in Fiscal 2024 was ₹1.66 million.

Shweta Deshpande is the Company Secretary and Compliance Officer of our Company. She has been associated with our Company since March 9, 2023. She handles legal and compliance. She holds a bachelor's degree in commerce and a bachelor's degree in law from Dr. Babasaheb Ambedkar Marathwada University, Aurangabad and is an associate member of the Institute of Company Secretaries of India. She has also completed diploma in taxation laws from Dr. Babasaheb Ambedkar Marathwada University, Aurangabad. She has more than five years of experience in the secretarial and statutory compliances sector. Before her association with our Company, she has previously served as an associate with the DVD & Associates and as the company secretary at Devgen Seeds and Crop Technology Private Limited. The remuneration paid to her in Fiscal 2024 was ₹0.83 million.

Mandar Dinkar Desai is the Chief Executive Officer of our Company. He has been associated with our Company since January 15, 2010. In our Company, he oversees all technical and operational functions of the Company. He holds a bachelor's degree and a master's degree in engineering (in civil branch) from University of Mumbai. He has over 14 years of experience in the environmental engineering sector in our Company. Prior to his association with our Company, he has previously worked as general manager with Hindustan Dorr-Oliver Limited for over 13 years. The remuneration paid to him in Fiscal 2024 was ₹9.96 million.

Senior Management

In addition to Amit Anil Sawant, Chief Financial Officer and Shweta Deshpande, Company Secretary and Compliance Officer of our Company, whose details are provided in "*Key Managerial Personnel*" on page 319, the details of our Senior Management Personnel, as on the date of this Draft Red Herring Prospectus, are as set forth below:

Rajnesh Trivedi is the chief executive officer - MSW of our Company. He has been associated with our Company since June 5, 2023. In our Company, he handles solid waste treatment business. He holds a post graduate diploma in business management from Institute for Integrated Learning in Management, New Delhi. He has over 15 years of experience in the investment banking sector. Before his association with our Company, he has previously served as the head – sector coverage (senior president) with Yes Securities (India) Limited and senior manager with VA Tech Finance (India) Private Limited. The remuneration paid to him in Fiscal 2024 was ₹8.88 million.

Sandeep Sambhaji Parab is the head of business development of our Company. He has been associated with our Company since November 2004. In our Company, he oversees and guides the Company team on business development and customer relationships. He holds a bachelor's degree in engineering (civil) from University of Bombay. He has over 20 years of work experience. Prior to his association with our Company, he has served as the finance executive with Hindustan Dorr-Oliver Limited, and as the senior manager – projects with Ion Exchange (India) Limited. The remuneration paid to him in Fiscal 2024 was ₹11.83 million.

Veera Venkata Satyanarayana Yannamani is the head of international business of our Company. He has been associated with our Company since April 2010. In our Company, he oversees and guides the company team in international business and technology development. He holds a bachelor's degree in technology (civil engineering) from Nagarjuna University, Nagarjunanagar and a master's degree in technology (environmental engineering) from Nagpur University. He has also participated in the programme on knowledge management: strategy, structure and processes held at Indian Institute of Management. Ahmedabad, and attended the second course on recent advances in water and waste water treatment organised by the School of Water Sciences, Cranfield University. He has been elected as the life member of the Indian Water Works Association and the Indian Association for Environmental Management. He has approximately 30 years of experience in the environmental engineering sector. Before his association with our Company, he has previously served as the head – technology with Ion Exchange (India) Limited, the deputy manager (environment) with Reva Enviro Systems Private Limited, the senior project fellow in the waste water technology division of the National Environmental Engineering Research Institute, the lecturer in the civil engineering department of Visvesvaraya Regional College of Engineering, and the supervisor with Gayatri Engineering Company. The remuneration paid to him in Fiscal 2024 was ₹11.83 million.

Kumaraguru Madurakavi is the head of technology of our Company. He has been associated with our Company since September 2004. In our Company, he oversees development of new technologies business areas and also guides sales and marketing, proposals and engineering team of the Company. He holds a bachelor's degree in technology (chemical engineering) from Anna University, Madras and a master's degree in technology (chemical engineering) from Indian Institute of Technology, Madras. He has approximately 33 years of experience in the water and wastewater management sector. Before his association with our Company, he has previously served as the deputy manager with Biotech Consortium India Limited, and the sales executive with Ion Exchange (India) Limited. The remuneration paid to him in Fiscal 2024 was ₹11.83 million.

Ajit Dhondiram Marathe is the head of sales and operations of our Company. He has been associated with our Company since February 15, 2013. In our Company, he handles sales and operations. He holds a bachelor's degree in science (chemistry) from Fergusson College, University of Pune. He has participated in the "Emerging Leader's Programme of 3-TP" held by Indian Institute of Management, Ahmedabad. He has approximately 34 years of experience in the sales and operations sector. Before his association with our Company, he has previously served as the assistant general manager – business development with Ramky Infrastructure Limited, and the senior general manager - projects with Aquachem Enviro Engineers Private Limited. The remuneration paid to him in Fiscal 2024 was ₹7.65 million.

Abhijit Parolkar is the head of marketing of our Company. He has been associated with our Company since May 14, 2014. In our Company, he handles sales and business development. He holds a bachelor's degree in technology (chemical engineering) from Uttar Pradesh Technical University and a master's degree in business administration from the Institute of Chartered Financial Analysts of India University, Sikkim. He has also completed a postgraduate diploma in marketing and a diploma in management from the Institute of Chartered Financial Analysts of India University, Sikkim. He has approximately 15 years of experience in the water, waste water and sewage treatment sector. Before his association with our Company, he has previously served as the senior executive – proposals with Thermax Limited, an engineer in corporate research and development division with Moser Baer India Limited, and the proposal engineer with VA Tech Wabag Limited. The remuneration paid to him in Fiscal 2024 was ₹4.95 million.

Mahendra Pandharinath Ingale is the head of manufacturing of our Company. He has been associated with our Company since January 29, 2008. In our Company, he handles manufacturing function. He holds a diploma in civil engineering from Maharashtra State Board of Technical Education and he has also participated in emerging leaders' programme of 3-TP held at Indian Institute of Management, Ahmedabad. He has approximately 16 years of experience in the manufacturing sector. The remuneration paid to him in Fiscal 2024 was ₹7.45 million.

Virendra Vijay Rane is the head of erection and commissioning of our Company. He has been associated with our Company since December 21, 2007. In our Company, he handles erection and commissioning. He holds a bachelor's degree in science (chemistry) from University of Mumbai and a post graduate diploma in environmental pollution control technology from Garware Institute of Career Education and Development, University of Mumbai. He has also participated in emerging leaders' programme of 3-TP held at Indian Institute of Management, Ahmedabad. He has 16 years of experience in the erection and commissioning sector. The remuneration paid to him in Fiscal 2024 was ₹4.10 million.

Rohan Manohar Kharche is the head of supply chain management of our Company. He has been associated with our Company since December 11, 2017. In our Company, he handles supply chain management. He holds a bachelor's degree in engineering (in civil branch) and a master's degree in management studies from University of Mumbai. He has over 11 years of experience in the supply chain management sector. Before his association with our Company, he has previously served as the manager (purchase) with JK Tyre and Industries Limited and has handled functions of supply chain. The remuneration paid to him in Fiscal 2024 was ₹3.67 million.

Relationships among Key Managerial Personnel, Senior Management and Directors

None of our Key Managerial Personnel or the Senior Management are related to each other or to the Directors of our Company.

Arrangements or understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel or our Senior Management have been appointed pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Changes in the Key Managerial Personnel or the Senior Management in last three years

Except as mentioned below, and as specified in "– *Changes to our Board in the last three years*" on page 309, there have been no changes in the Key Managerial Personnel or Senior Management during the three years:

Name	Date of change	Reason
Shweta Deshpande	March 9, 2023	Appointment as a Company Secretary and Compliance Officer
Amit Anil Sawant	August 14, 2024	Appointment as the Chief Financial Officer
Mandar Dinkar Desai	August 14, 2024	Appointment as the Chief Executive Officer
Sandeep Sambhaji Parab	September 5, 2024	Appointment as head of business development
Veera Venkata Satyanarayana Yannamani	September 5, 2024	Appointment as head of international business
Kumaraguru Madurakavi	September 5, 2024	Appointment as head of technology
Ajit Dhondiram Marathe	September 5, 2024	Appointment as head of sales and operations
Abhijit Parolkar	September 5, 2024	Appointment as head of marketing
Mahendra Pandharinath Ingale	September 5, 2024	Appointment as head of manufacturing
Virendra Vijay Rane	September 5, 2024	Appointment as head of erection and

Name	Date of change	Reason
		commissioning
Rohan Manohar Kharche	September 5, 2024	Appointment as head of supply chain management
Rajnesh Trivedi*	September 5, 2024	Appointment as the chief strategy officer

* *Rajnesh Trivedi was initially appointed as chief strategy officer of our Company pursuant to the Board resolution dated September 5, 2024. He was later redesignated as chief executive officer – MSW of our Company on November 19, 2024.*

The rate of attrition of our Key Managerial Personnel and our Senior Management is not high in comparison to the industry in which we operate.

Status of Key Managerial Personnel and Senior Management

As on the date of this Draft Red Herring Prospectus, all our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Service Contracts, and retirement or termination benefits

Other than statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors, our Key Managerial Personnel or Senior Management is entitled to any benefits upon termination of employment, including under any service contract with our Company. Further, other than the respective employment agreements/appointment letters entered into by our Key Managerial Personnel or Senior Management with our Company or our Subsidiary, as the case may be, none of our Directors, Key Managerial Personnel or Senior Management have entered into a service contract/appointment letter with our Company or our Subsidiary pursuant to which they are entitled to such statutory benefits upon termination of their employment in our Company.

Shareholding of the Key Managerial Personnel and Senior Management

Except as disclosed under "*Shareholding of Directors in our Company*" on page 307, and except as disclosed below, none of our other Key Managerial Personnel and the Senior Management hold any Equity Shares in our Company:

Key Managerial Personnel

Name	No. of Equity Shares	Percentage of the pre-Offer paid up share capital (%)	Percentage of the post-Offer paid up share capital (%)*
Amit Anil Sawant	60,000	0.06	[●]
Mandar Dinkar Desai (held jointly with Shruti Mandar Desai)	75,000	0.08	[●]

**Subject to finalisation of Basis of Allotment.*

Senior Management

Name	No. of Equity Shares	Percentage of the pre-Offer paid up share capital (%)	Percentage of the post-Offer paid up share capital (%)*
Sandeep Sambhaji Parab	4,592,715	4.92	[●]
Veera Venkata Satyanarayana Yannamani	2,143,860	2.30	[●]
Kumaraguru Madurakavi	4,592,715	4.92	[●]
Ajit Dhondiram Marathe	15,000	0.02	[●]
Mahendra Pandharinath Ingale	15,000	0.02	[●]
Virendra Vijay Rane	75,000	0.08	[●]
Rohan Manohar Kharche	15,000	0.02	[●]
Rajnesh Trivedi	15,000	0.02	[●]

**Subject to finalisation of Basis of Allotment.*

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel for Fiscal 2024, which does not form part of their remuneration for such period.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management

Except as disclosed under "*Terms of employment of our Executive Directors*" on page 305, our Company has no profit-sharing plan in which the Key Managerial Personnel and the Senior Management participate. Our Company makes bonus payments to our Key Managerial Personnel or the Senior Management, in accordance with their terms of appointment.

Interest of Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and the Senior Management are interested in our Company to the extent of the remuneration (including any variable pay or sales-linked incentives), or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

Our Key Managerial Personnel and the Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

Further, Amit Anil Sawant is a director on the board of our Subsidiaries, namely – (a) Hindustan Waste Treatment Private Limited, (b) Vasudha Waste Treatment Private Limited and (c) Pentagen Biofuels Private Limited. Further, Mandar Dinkar Desai is a director on the board of our Subsidiary, Navitas Waste Treatment Private Limited.

Except as disclosed herein, none of our Key Managerial Personnel or Senior Management have been paid any consideration of any nature from our Company, other than their remuneration.

Employee Stock Option Plan

For details about the ESOP Scheme, see *"Capital Structure"* on page 139.

Payment or Benefit to officers of our Company (non-salary related)

No non-salary related amount or benefit has been paid or given within the two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given to any officer of the Company, including our Directors, Key Managerial Personnel and Senior Management.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Sandeep Sudhakar Asolkar, Priya Sandeep Asolkar and Saketchandrasingh Pratapsingh Dhandoriya.

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 40,019,595 Equity Shares, representing 42.84% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company, on a fully diluted basis. For details, please see "*Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in the Company – Build-up of the Promoters, members of Promoter Group and Selling Shareholders shareholding in our Company*" beginning on page 126.

Details of our Promoters

1. Sandeep Sudhakar Asolkar

Sandeep Sudhakar Asolkar, aged 55 years, is one of our Promoters and is also the Chairman and Managing Director on our Board. For the complete profile of Sandeep Sudhakar Asolkar along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see "*Our Management – Board of Directors*" on page 301.

His permanent account number is ABPPA3294E.

As on date of this Draft Red Herring Prospectus, Sandeep Sudhakar Asolkar individually holds 13,500,000 Equity Shares representing 14.45% of the issued, subscribed and paid-up equity share capital of our Company, on a fully diluted basis. Further, he jointly holds 18,085,470 Equity Shares along with Priya Sandeep Asolkar, one of our Promoters, representing 19.36% of the issued, subscribed and paid-up equity share capital of our Company, on a fully diluted basis.

2. Priya Sandeep Asolkar

Priya Sandeep Asolkar, aged 56 years, is one of our Promoters. Details of her date of birth and address are as follows:

Date of Birth: November 6, 1968

Address: 27, Udaygiri, opposite Telecom Factory, Deonar, Mumbai 400 088, Maharashtra, India

Priya Sandeep Asolkar holds a bachelor's degree in engineering (civil) from Sardar Patel College of Engineering, University of Bombay. She has previously worked with Development Consultants Limited as senior design engineer (civil), Sterling Engineering Consultancy Services Private Limited in her capacity as design engineer, N. N. Purandare Consultants as junior design engineer and with Atlanta Construction Co. (India) Limited as an assistant engineer. Further, she has previously provided engineering consultancy services as a consultant to our Company.

Priya Sandeep Asolkar is a director of the following companies:

1. Asolkar Tradecraft Private Limited.

Her permanent account number is ABPPA3341Q.

As on the date of this Draft Red Herring Prospectus, Priya Sandeep Asolkar together with Sandeep Sudhakar Asolkar, holds 18,085,470 Equity Shares, representing 19.36% of the issued, subscribed and paid-up equity share capital of our Company, on a fully diluted basis.

3. Saketchandrasingh Pratapsingh Dhandoriya

Saketchandrasingh Pratapsingh Dhandoriya, aged 50 years, is one of our Promoters and is also the Additional Executive Director on our Board. For the complete profile of Saketchandrasingh Pratapsingh Dhandoriya along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see "*Our Management – Board of Directors*" on page 301.

His permanent account number is ABTPD9924C.

As on the date of this Draft Red Herring Prospectus, Saketchandrasingh Pratapsingh Dhandoriya holds 8,434,125 Equity Shares, representing 9.03% of the issued, subscribed and paid-up equity share capital of our Company, on a fully diluted basis.

Our Company confirms that the permanent account number, bank account number, Aadhaar number, driving license number and passport number, as applicable, of our Promoters shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Change in control of our Company

Pursuant to a Board Resolution dated October 27, 2023, our Company has identified Sandeep Sudhakar Asolkar, Priya Sandeep Asolkar and Saketchandrasingh Pratapsingh Dhandoriya as the Promoters of our Company, and they have also been identified as Promoters of our Company in the annual returns for Fiscal 2023, filed by our Company. However, there has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Interests of Promoters

Our Promoters are interested in our Company to the extent that they are the Promoters of our Company and to the extent of their respective shareholding in our Company and the dividends payable, if any, and any other distributions in respect of their respective shareholding in our Company, Sandeep Sudhakar Asolkar's and Saketchandrasingh Pratapsingh Dhandoriya's directorship in our Company, the shareholding of their relatives in our Company, or the shareholding of entities in which our Promoters are interested, in our Company. For details of the shareholding of our Promoters in our Company, see "*Capital Structure*" beginning on page 103.

Further, our Promoters are also directors on the boards or are shareholders, kartas, trustees, proprietors, members or partners of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details of interest of our Promoters in our Company, see "*Other Financial Information – Related Party Transactions*" beginning on page 445.

Sandeep Sudhakar Asolkar may also be deemed to be interested to the extent of remuneration, benefits, reimbursement of expenses, sitting fees and commission payable to him as the Chairman and Managing Director on our Board. For further details, see "*Our Management – Interest of Directors*" beginning on page 308. Further, Saketchandrasingh Pratapsingh Dhandoriya may also be deemed to be interested to the extent of remuneration, benefits, reimbursement of expenses, sitting fees and commission payable to him as the Additional Executive Director on our board and as the director on the board of our Subsidiaries, being, Pentagen Biofuels Private Limited, Hindustan Waste Treatment Private Limited and Vasudha Waste Treatment Private Limited.

None of our Promoters have any interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company as on the date of this Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery:

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to any of our Promoters or to any firm or company in which any of our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a director, or otherwise for services rendered by any our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Except for Saketchandrasingh Pratapsingh Dhandoriya, who is on the board of our Subsidiaries, being, Pentagen Biofuels Private Limited, Hindustan Waste Treatment Private Limited and Vasudha Waste Treatment Private Limited, which are engaged in a business similar to the business of our Company, none of our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

Experience of the Promoters in the business of our Company

Our Promoters have adequate experience in the business activities currently undertaken by our Company. Our Company do not intend to venture into any new line of business.

Companies or firms from which our Promoters have disassociated in the last three years

Except for the following, none of our Promoters have disassociated themselves from any other company or firm in the three years preceding the date of this Draft Red Herring Prospectus:

S. No.	Name of the entity from which our Promoter has disassociated	Name of the Promoter	Date of disassociation as a director	Date of disassociation as a shareholder	Reason for and circumstances leading to disassociation
1.	Aibhuna Technology and Communication Private Limited	Sandeep Sudhakar Asolkar	November 8, 2022	Not Applicable	Aibhuna Technology and Communication Private Limited erroneously reported Sandeep Sudhakar Asolkar as a director on its board of directors. However, this was corrected and Sandeep Sudhakar Asolkar ceased to be a director on the board effective the same day.
2.	Fine Aeration Systems Private Limited	Saketchandrasingh Pratapsingh Dhandoriya	September 16, 2024	Not Applicable	Saketchandrasingh Pratapsingh Dhandoriya resigned from the Company due to preoccupation.
3.	Navitas Waste Treatment Private Limited	Saketchandrasingh Pratapsingh Dhandoriya	September 16, 2024	Not Applicable	Saketchandrasingh Pratapsingh Dhandoriya and Sandeep Sudhakar Asolkar resigned from the company due to preoccupation.
		Sandeep Sudhakar Asolkar			
4.	Pentagen Biofuels Private Limited	Sandeep Sudhakar Asolkar	September 17, 2024	Not Applicable	Sandeep Sudhakar Asolkar resigned from the company due to preoccupation.

Payment or Benefits to Promoters or members of Promoter Group

Except as disclosed herein and as stated in "*Other Financial Information – Related Party Transactions*" and "*Dividend Policy*" at pages 445 and 332, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Material Guarantees

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as of the date of this Draft Red Herring Prospectus.

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group, other than our Promoters, are as follows:

S. No.	Name of Promoter	Name of Promoter Group Member	Relationship with Promoter (as defined under the Companies Act, 2013)
1.	Sandeep Sudhakar Asolkar	Pushpa Sudhakar Asolkar	Mother
		Sudhakar Vishwanath Asolkar	Father
		Vidya Ravindra Borwankar	Sister
		Archana Ajit Kunhaleri Thayyil	Sister
		Prateek Sandeep Asolkar	Son
		Prachiti Sandeep Asolkar	Daughter
		Deepak Deshpande	Spouse's Brother
2.	Priya Sandeep Asolkar	Deepak Deshpande	Brother

S. No.	Name of Promoter	Name of Promoter Group Member	Relationship with Promoter (as defined under the Companies Act, 2013)
		Prateek Sandeep Asolkar	Son
		Prachiti Sandeep Asolkar	Daughter
		Sudhakar Vishwanath Asolkar	Spouse's Father
		Pushpa Sudhakar Asolkar	Spouse's Mother
		Vidya Ravindra Borwankar	Spouse's Sister
		Archana Ajit Kunhaleri Thayyil	Spouse's Sister
3.	Saketchandrasingh Pratapsingh Dhandoriya	Kalyani Saketchandrasingh Dhandoriya	Spouse
		Lalitabai Pratabsingh Dhandoriya	Mother
		Prithviraj Pratapsingh Dhandoriya	Brother
		Swati Dhirajsingh Mangaiya	Sister
		Siddharth Dhandoriya	Son

Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

1. Asolkar Tradecraft Private Limited.
2. Konkan Mango Processing (Ratnagiri) Private Limited.

OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of 'group companies', our Company has considered (i) such companies (other than the Promoters and the Subsidiaries of our Company) with which there were related party transactions during the period for which Restated Consolidated Financial Information have been disclosed in this Draft Red Herring Prospectus, as covered under the applicable accounting standards (i.e., Ind AS 24); and (ii) any other companies which are considered material by our Board.

In respect of point (ii) above, our Board, in its meeting held on August 14, 2024, has considered and adopted a policy of materiality for the identification of companies that shall be considered material and disclosed as a 'group company' in this Draft Red Herring Prospectus. In terms of such materiality policy, if a company (a) is a member of the Promoter Group; and (b) has entered into one or more transactions with the Company during the last completed full Financial Year and the most recent period included in the Restated Consolidated Financial Information, which individually or cumulatively in value exceeds 10% of the revenue from operations of the Company derived from the Restated Consolidated Financial Information of the last completed full financial year, it shall be considered material and disclosed as a 'group company'.

Accordingly, all such companies (other than our Subsidiaries) with which our Company had related party transactions as covered under the relevant accounting standard (i.e., Ind AS 24), as per the Restated Consolidated Financial Information, have been considered as Group Companies in terms of the SEBI ICDR Regulations.

Based on the parameters set out above, the following have been identified as Group Companies:

1. Crest IT Consulting Private Limited; and
2. Turbomax India Private Limited.

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the previous three financial years, extracted from their respective financial statements, are available at the website indicated below.

Our Company is providing a link to the aforementioned website solely to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information of our Group Companies and other information provided on the website(s) do not constitute a part of this Draft Red Herring Prospectus. Such information should not be considered as part of information that any investor should consider before making any investment decision.

None of our Company, the BRLMs or any of the Company's or the BRLMs' respective directors, employees, affiliates, associates, advisors, agents or representatives have verified the information available on the websites indicated below.

Details of our Group Companies:

The details of our Group Companies are as provided below:

1. **Crest IT Consulting Private Limited ("Crest")**

   Corporate information

   The registered office of Crest is situated at S-2060, Akshar Business Park, Sector-25, Vashi, Mumbai City, Navi Mumbai – 400 703, Maharashtra, India.

   Financial information

   Crest's financial information with respect to reserves (excluding revaluation reserve), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, based on the audited standalone financial statements for Fiscals 2024, 2023 and 2022 are available on the website of our Company at https://sfcenvironment.com/investors/financial-highlights/Financial Statement of Subsidiaries & Group

Companies.

2. **Turbomax India Private Limited ("Turbomax")**

Corporate information

The registered office of Turbomax is situated at Ambience Court, Hi-Tech Business Park, 21st Floor, Sector 19-D, Plot No. 2, Vashi, Thane, Navi Mumbai – 400 705, Maharashtra, India.

Financial information

Turbomax's financial information with respect to reserves (excluding revaluation reserve), sales, profit after tax, earnings per share, diluted earnings per share and net asset value based on the audited standalone financial statements for Fiscals 2024, 2023 and 2022 are available on the website of our Company at https://sfcenvironment.com/investors/financial-highlights/Financial Statement of Subsidiaries & Group Companies.

Common pursuits among Group Companies

Except for Turbomax India Private Limited which is also engaged in the business of manufacturing, marketing and repairing of blowers, there are no common pursuits among any of our Group Companies and our Company. Further, one of our Directors, is currently on the board of Turbomax India Private Limited, however, our Company and the concerned Group Company shall adopt necessary procedures and practices as permitted by laws and regulatory guidelines to address situations of conflict of interest as and when they arise.

Nature and extent of interest of our Group Companies

a. Interest in the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

b. Interest in the property acquired or proposed to be acquired by the Company

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c. Interest in transactions for acquisition of land, construction of building, or supply of machinery

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

Related business transactions with our Group Companies and their significance on the financial performance of our Company

Other than the transactions disclosed in the section "*Other Financial Information – Related Party Transactions*" on page 445, there are no related business transactions between the Group Companies and our Company.

Business interest of our Group Companies in our Company

Except as disclosed in the section "*Other Financial Information – Related Party Transactions*" on page 445, our Group Companies have no business interests in our Company.

Litigation involving our Group Companies

As on the date of this Draft Red Herring Prospectus, there are no pending litigation proceedings involving any of our Group Companies which has or will have a material impact on our Company.

Other confirmations

The equity shares of our Group Companies are not listed on any stock exchange. Our Group Companies have not made any public / rights / composite issue in the last three years.

DIVIDEND POLICY

Our Board of Directors, pursuant to a resolution dated August 14, 2024, have adopted a dividend distribution policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder).

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, profitable growth of our Company and specifically profits earned and available for distribution during the relevant fiscal, past dividend pattern of our Company and the industry, capital expenditure to be incurred by our Company, accumulated reserves including retained earnings, statutory requirements like transfer to statutory reserve fund, liquidity position of our Company including its present and expected obligations. In addition, our ability to pay dividends may be impacted by a number of external factors, such as economic environment, changes in the Government policies and regulatory provisions, and inflation rates. Our ability to pay dividends may also be restricted under certain financing arrangements that we may enter into. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future. For more information on restrictive covenants under our current loan agreements, see "*Financial Indebtedness*" on page 476. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

Except as disclosed below, our Company has not declared any dividends on the Equity Shares during the last three Fiscals and the three months periods ending June 30, 2024 and June 30, 2023, and during the period from July 1, 2024, until the date of filing of this Draft Red Herring Prospectus:

Particulars	For the Fiscal			For the three months period ended June 30, 2023	For the three months period ended June 30, 2024	For the period from July 1, 2024*
	2022	2023	2024			
Number of equity shares(1)	6,000,000	6,000,000	6,227,418	6,227,418	6,227,418	93,411,270
Face value per equity share (in ₹)	10.00	10.00	10.00	10.00	10.00^	2.00^
Rate of dividend (%)	-	450	150	-	200	-
Dividend per equity share (in ₹)	-	45.00	15.00	-	20.00	-
Dividend paid** (in ₹ million)	-	270.00(2)	93.41	-	124.55	-
Dividend distribution tax (in ₹ million)	-	-	-	-	-	-
Dividend distribution tax (%)	-	-	-	-	-	-
Mode of payment of dividend	N.A.	RTGS	RTGS	N.A.	RTGS	N.A.

#As certified by Statutory Auditors, pursuant to their certificate dated December 2, 2024.
**Includes the period from July 1, 2024 till the date of filing of this Draft Red Herring Prospectus.*
***Excluding dividend distribution tax.*
^The Board of Directors at its meeting held on August 14, 2024 had approved the sub-division of fully paid-up Equity Share of ₹10 into 5 fully paid-up Equity Shares of ₹2 each on record date which was approved by the Shareholders by means of an ordinary resolution dated September 5, 2024. As on the date of this Draft Red Herring Prospectus, the face value of Equity Shares is ₹2 each.
Note:
(1) The number of equity shares reflected above are outstanding equity shares as on the respective record date for dividend.
The number of equity shares and resultant paid up equity share capital for Financial Year 2022-23 and Financial Year 2021-22 reflected in the Restated Consolidated Financial Information of the Company are after taking into account retrospective effect of issuance and reduction of shares pursuant to the clause 14 of the Composite Scheme of Amalgamation of Enviropro Water Tech Private Limited and Intergeo Solid Waste Management Private Limited with the Company approved by the National Company Law Tribunal vide its order dated December 21, 2022.
(2) The dividend amount for the Financial 2022-23 reflected in the Restated Consolidated Financial Information of the Company are after taking into account the retrospective effect of amalgamation pursuant to the clause 13 of the Composite Scheme of Amalgamation of Enviropro Water Tech Private Limited and Intergeo Solid Waste Management Private Limited with the Company approved by the National Company Law Tribunal vide its order dated December 21, 2022.

The past trend in relation to our payment of dividends is not necessarily indicative of our dividend trend or dividend policy, in the future, and there is no guarantee that any dividends will be declared or paid in the future. For details in relation to the risk involved, see "*Risk Factors – We cannot assure payment of dividends on the Equity Shares in the future*" on page 74.

SECTION VI – FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

To
The Board of Directors
SFC Environmental Technologies Limited
(Formerly known as SFC Environmental Technologies Private Limited)
The Ambience Court Hi-Tech Business Park, 21st Floor,
Sector 19-D, Plot No. 2, Vashi, Navi Mumbai, Thane – 400705,
Maharashtra, India

1. We GBCA & Associates LLP, Chartered Accountants have examined the attached Restated Consolidated Financial Information of **SFC Environmental Technologies Limited** (Formerly known as SFC Environmental Technologies Private Limited) (hereinafter referred to as the "Company" or the "Issuer"), its subsidiaries (the Company and its Subsidiaries together referred to as the "Group"), its associate and its joint venture, comprising the Restated Consolidated Balance Sheet as at June 30, 2024, June 30, 2023, March 31, 2024, March 31, 2023, and March 31, 2022, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the quarter ended June 30, 2024 and June 30, 2023 and year ended March 31, 2024, March 31, 2023, and March 31, 2022, and the Summary Statement of Material Accounting Policies, notes and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on November 28, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus ("**DRHP**") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("**IPO**") of face value of Rs. 2 each prepared in terms of the requirements of
   a) the Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "**Act**");

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**");

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India ("**SEBI**"), BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**") (the "relevant stock exchanges") in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2 of Annexure V to the Restated Consolidated Financial Information. The responsibilities of respective Board of Directors of the companies included in the Group, of its associate and its joint venture includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group, its associate and its joint venture complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:

a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated September 09, 2024 in connection with the proposed IPO of equity shares of the Company;

b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations, and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the management from:

a. Audited Special Purpose Interim Consolidated Financial Statements of the Group and its associates and joint ventures as at and for the quarter ended June 30, 2024 and June 30, 2023 prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (the "**Special Purpose Interim Consolidated Financial Statements**") which have been approved by the Board of Directors at their meeting held on November 28, 2024; and

b. Audited Consolidated Financial Statements of the Group, its associate and its joint venture as at and for the year ended March 31, 2024, prepared in accordance with the Indian Accounting Standards (referred to as "**Ind AS**") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on August 08, 2024; and

c. Audited Consolidated Financial Statements of the Group, its associates and its joint venture as at and for the year ended March 31, 2023, prepared in accordance with Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on October 27, 2023; and

d. Audited Special Purpose Consolidated Financial Statement of the Group, its associates and its joint venture as at and for the year ended March 31, 2022 were prepared by management in accordance with the Ind AS, and approved by the Board of Directors at their Board meeting held on November 28, 2024 **("Special Purpose Consolidated Financial Statements")**. The Special Purpose Consolidated Financial Statement of the Group, its associates and its joint venture as at and for the year ended March 31, 2022 were prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies (both mandatory exceptions and optional exemptions) availed as per Ind AS 101 for the transition date of April 1, 2021 and as per the presentation, accounting policies and grouping/classifications including Revised Schedule III disclosures followed as at and for the quarter ended June 30, 2024.

5. We have audited the Special Purpose Consolidated Financial Information of the Group, its associates and joint ventures for the year ended March 31, 2022 referred to in paragraph 4 (d) above, for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO. We have issued our report dated November 28, 2024on these Special Purpose Consolidated Financial Information to the Board of Directors who have approved these in their meeting held on November 28, 2024.

6. For the purpose of our examination, we have relied on:
   a. Auditor's Report issued by us dated November 28, 2024 and November 28, 2024 on the Special Purpose Interim Consolidated Ind AS Financial Statements of the Group, its associate and its joint venture as at and for the quarter ended June 30, 2024 and June 30, 2023 as referred in Paragraph 4 (a) above.

   b. Auditor's Report issued by us dated August 08, 2024 on the Audited Consolidated Financial Statements of the Group, its associate and its joint venture as at and for the year ended March 31, 2024 as referred in Paragraph 4 (b) above.

   c. Auditor's Report issued by us dated October 27, 2023 on the Audited Consolidated Financial Statements of the Group, its associate and its joint venture as at and for the year ended March 31, 2023 as referred in Paragraph 4 (c) above.

   d. Auditor's Reports issued by us dated November 28, 2024 on the Special Purpose Consolidated Financial Statements of the Group, its associates and its joint venture as at and for the year ended March 31, 2022 as referred in Paragraph 4(d) above.

7. As indicated in our audit reports referred above:

We did not audit the financial statements / special purpose financial statements of one subsidiary included in the Group as of and for the quarter ended June 30, 2024 and June 30, 2023 and year ended March 31, 2024, March 31, 2023 and March 31, 2022 as listed in **Annexure A** below whose financial statements / special purpose financial statements reflect total assets, total revenues and total cash flows included in the Audited Consolidated Financial Statements for the relevant years as tabulated below. These financial statements / special purpose financial statements have been audited by other auditor as detailed in Annexure A whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of such subsidiary, is based solely on the reports of such other auditor.

We did not audit the special purpose financial statements of one subsidiary included in the Group as of and for the quarter ended June 30, 2024 and June 30, 2023 and year ended March 31, 2024 as listed in **Annexure B** below whose special purpose financial statements reflect total assets, total revenues and total cash flows included in the Special Purpose Interim Consolidated Financial Statements and Audited Consolidated Financial Statements for the relevant year ended March 31, 2024 as tabulated below. The financial statements of this one subsidiary was earlier unaudited at the time of issuance of statutory auditor's report dated August 08, 2024 on Audited Consolidated Financial Statements of the Company as at and for the year ended March 31, 2024. These special purpose financial statements have now been audited by other auditor as detailed in Annexure A vide audit report dated October 25, 2024 whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of such subsidiary, is based solely on the reports of such other auditor.

Our opinion on the audited consolidated financial statements is not modified in respect of the matters above.

(Rs. In Millions)

Particulars	As at/ for the quarter ended	
	June 30, 2024	June 30, 2023
Total Assets	**532.56**	**521.10**
Total Revenue	**363.28**	**218.55**
Net Cash inflows/ (Outflows)	**3.24**	**11.95**

(Rs. In Millions)

Particulars	As at/ for the year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Total Assets	502.31	452.93	395.04
Total Revenue	1025.62	737.61	607.49
Net Cash inflows/ (Outflows)	28.95	(56.54)	58.51

Further, we did not audit the financial statements of one joint venture as of and for the quarter ended June 30, 2024, June 30, 2023, year ended March 31, 2024, March 31, 2023 and March 31, 2022, one associate as of and for the year ended March 31, 2023 and March 31, 2022 and one joint venture as of and for the year ended March 31, 2023 and March 31, 2022 whose financial statements reflect the consolidated entities' share of profits of in the Audited Consolidated Financial Statements for the relevant years as tabulated below. These financial statements have been audited by other auditors as detailed in **Annexure A** whose reports have been furnished to us by the Company's Management, and our opinion on the Audited Consolidated Financial Statements, in so far as it relates to the amounts included in respect of these components, is based solely on the reports of such other auditors.

Our opinion on the audited consolidated financial statements is not modified in respect of the matters above.

(Rs. In Millions)

	As at/ for the quarter ended	
Particulars	June 30, 2024	June 30, 2023
Share of Profit/ (Loss) in its associate and joint venture	0.00*	0.00*

**less than 0.01 million*

(Rs. In Millions)

	As at/ for the year ended		
Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Share of Profit/ (Loss) in its associate and joint venture	(0.01)	16.57	27.59

The financial statements of two subsidiaries included in the Group as of and for the quarter ended June 30, 2024 and June 30, 2023 and year ended March 31, 2024, March 31, 2023 and March 31, 2022 are unaudited financial statements as listed in **Annexure C** below whose financial statements reflect total assets and total revenues included in the Audited Consolidated Financial Statements for the relevant years as tabulated below. These subsidiaries are located outside India whose unaudited financial statements and other unaudited financial information have been prepared in accordance with accounting principles generally accepted in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.

Our opinion on the Audited Consolidated Financial Statements, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on the financial information certified by the management.

(Rs. In Millions)

	As at/ for the quarter ended	
Particulars	**June 30, 2024**	**June 30, 2023**
Total Assets	151.86	131.34
Total Revenue	50.57	25.94

(Rs. In Millions)

	As at/ for the year ended		
Particulars	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Total Assets	201.97	157.69	231.15
Total Revenue	207.77	271.17	413.42

8. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the Auditor's report issued by the other auditors for the respective period / years, we report that the Restated Consolidated Financial Information:

    a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and in the quarter period ended June 30, 2023, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the quarter ended June 30, 2024;

    b) does not contain any qualifications which require adjustments in Restated Consolidated Financial Information as stated in part B of Annexure VI of Restated Consolidated Financial Information. However, there were observations in CARO, 2016 / 2020 and other legal & regulatory matters which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in Annexure VI to the Restated Consolidated Financial Information; and;

    c) have been prepared in accordance with the Act, ICDR Regulations, Guidance Note.

9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special Purpose Interim Consolidated Ind AS Financial Statements and Audited Consolidated Financial Statements mentioned in paragraph 4 above.

10. We have not audited any financial statements of the Group and its associate & joint venture as of any date or for any period subsequent to June 30, 2024. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group as of any date or for any period subsequent to June 30, 2024.

11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with SEBI, and relevant stock exchanges in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **G B C A & Associates LLP**
Chartered Accountants
Firm Registration No.: 103142W / W100292

Yogesh Amal
Partner
Membership No.: 111636
UDIN: 24111636BKCSWJ2226

Place: Mumbai
Date: November 28, 2024

ANNEXURE A

Entity	Nature of Holding	June 30, 2024	June 30, 2023	March 31, 2024	March 31, 2023	March 31, 2022
Chavare Engineering Private Limited	Subsidiary	Special purpose financial statements are audited by **K M P S & Associates**	Special purpose financial statements are audited by **K M P S & Associates**	Audited by **K M P S & Associates**	Special purpose financial statements are audited by **K M P S & Associates**	Special purpose financial statements are audited by **K M P S & Associates**
Hindustan Waste Treatment Private Limited *(Refer Note 1)*	Subsidiary /Associate	Special purpose financial statements are audited by us	Special purpose financial statements are audited by us	Audited by us	Audited by **Kavthekar & Co.**	Audited by **Kavthekar & Co.**
Endress + Hauser & Chavare Engineering (JV) Private Limited	Joint Venture	Special purpose financial statements are audited by **Vinod S. Mehta & Co.**	Special purpose financial statements are audited by **Vinod S. Mehta & Co.**	Audited by **Vinod S. Mehta & Co.**	Audited by **Vinod S. Mehta & Co.**	Audited by **Vinod S. Mehta & Co.**
Gharpure Engg & Const PL - Chavare Engg PL JV (Refer Note 2)	Joint Venture	-	(Refer Note 2)	-	Audited by **Aman & Co.**	Audited by **Aman & Co.**

Note:

1. *Hindustan Waste Treatment Private Limited is subsidiary of the company effective from October 05, 2023; and audited by us for year ended March 31, 2024. Earlier it was associate and audited by Kavthekar & Co., in the years ended March 31, 2023 and March 31, 2022.*
2. *The joint venture ceases to exist w.e.f. August 08, 2023. The Financial Statement for the quarter ended June 30, 2023 are unaudited financial information. The revenue for the period April 01, 2023 to August 08, 2023 was NIL and Profit before Tax for the said period April 01, 2023 to August 08, 2023 was INR (355) only. In our opinion and according to the information and explanations given to us by the Management, this financial statements / financial information are not material to the Group.*

ANNEXURE B

Entity	Nature of Holding	June 30, 2024	June 30, 2023	March 31, 2024	March 31, 2023	March 31, 2022
Chavare Engineering & Endress Plus Hauser JV	Subsidiary	Special purpose financial statements are audited by V P Joshi Associates	Special purpose financial statements are audited by V P Joshi Associates	Special purpose financial statements are audited by V P Joshi Associates	-	-

ANNEXURE C

1. SFC Umwelttechnik GmbH – Foreign Subsidiary
2. SFC Ekotechnika S.r.o – Foreign Subsidiary

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

Annexure I

Restated Consolidated Balance Sheet

CIN: U37003MH2005PLC152235

(Currency: Indian Rupees in Millions, unless otherwise stated)

	Particulars	Notes	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	ASSETS						
1	**Non-current assets**						
(a)	Property, plant and equipment	5	588.64	537.89	611.09	381.18	308.60
(b)	Right-of-use asset	6	120.15	23.19	128.46	24.13	11.25
(c)	Capital Work-in-Progress	7	99.41	-	67.33	-	-
(d)	Investment property	8	143.04	182.67	144.80	184.91	242.53
(e)	Goodwill	9	28.08	28.08	28.08	28.08	28.08
(f)	Intangible Asset	10	113.01	0.94	127.20	1.38	0.65
(g)	Financial assets						
	(i) Investments	11	51.49	373.11	48.69	547.90	493.32
	(ii) Loans	12	80.00	-	80.00	61.61	2.68
	(iii) Trade Receivables	13	200.68	192.47	199.20	184.13	117.26
	(iv) Other financial assets	14	159.51	490.17	159.60	263.99	246.95
(h)	Deferred tax assets (Net)	48	91.10	77.84	87.46	70.33	40.67
(i)	Income tax assets (Net)	15	65.40	28.39	30.97	20.07	7.76
(j)	Other Non - Current Assets	16	75.47	4.41	63.29	4.38	3.12
	Total Non-Current Assets		1,815.98	1,939.16	1,776.18	1,772.09	1,502.86
2	**Current assets**						
(a)	Inventories	17	1,097.72	837.37	1,084.08	738.08	458.00
(b)	Financial assets						
	(i) Loans	18	301.44	63.30	201.98	20.14	85.83
	(ii) Trade receivables	19	2,423.63	1,578.85	3,745.93	2,198.25	1,685.85
	(iii) Cash and cash equivalents	20	155.56	92.93	77.32	226.48	264.17
	(iv) Other Bank Balances	21	1,624.06	1,290.49	1,808.74	1,020.75	915.62
	(v) Other Financial Asset	22	151.22	25.01	141.46	8.61	39.99
(c)	Other Current Assets	23	250.86	136.08	222.42	415.70	238.80
	Total Current Assets		6,004.49	4,024.03	7,281.93	4,628.01	3,688.26
	Total Assets		**7,820.48**	**5,963.20**	**9,058.11**	**6,400.11**	**5,191.12**
	EQUITY AND LIABILITIES						
	Equity						
(a)	Equity share capital	24	62.27	62.27	62.27	62.27	62.27
(b)	Other equity	25	5,205.43	3,937.38	5,280.68	3,891.89	3,225.97
	Total equity attributable to the Group		5,267.71	3,999.65	5,342.96	3,954.16	3,288.24
	Non Controlling Interests		280.53	100.95	268.50	109.98	99.92
	Total equity		5,548.24	4,100.60	5,611.45	4,064.14	3,388.17
	Liabilities						
1	**Non-current liabilities**						
(a)	Financial liabilities						
	(i) Borrowings	26	567.33	3.90	461.05	3.90	6.54
	(ii) Lease liabilities	27	97.36	15.17	104.82	13.71	7.92
(b)	Provisions	28	62.18	74.05	62.46	70.86	90.92
(c)	Deferred tax liabilities (Net)	48	85.23	77.87	83.15	77.02	55.19
	Total non-current liabilities		812.09	170.99	711.49	165.49	160.56
2	**Current liabilities**						
(a)	Financial liabilities						
	(i) Borrowings	29	301.89	841.43	845.62	460.18	373.26
	(ii) Lease liabilities	30	28.84	9.96	28.02	11.68	3.93
	(iii) Trade payables						
	Total outstanding dues of micro and small enterprises	31	123.95	143.46	217.40	164.02	127.76
	Total outstanding dues of creditors other than micro and small enterprises	31	570.44	418.61	889.74	913.70	677.18
	(iv) Other financial liabilities	32	83.11	43.21	230.16	84.31	52.43
(b)	Other current liabilities	33	245.14	221.77	422.21	533.55	411.37
(c)	Provisions	34	1.44	3.48	1.00	0.81	0.66
(d)	Current tax liabilities	35	105.32	9.69	101.00	2.24	(4.21)
	Total current liabilities		1,460.15	1,691.61	2,735.17	2,170.48	1,642.39
	Total liabilities		2,272.24	1,862.60	3,446.66	2,335.96	1,802.95
	Total equity and liabilities		**7,820.48**	**5,963.20**	**9,058.11**	**6,400.11**	**5,191.12**

Note: The above Annexure should be read with material accounting policies forming part of the Restated Consolidated Financial Information in Annexure V, statement of adjustments to Restated Consolidated Financial Information in Annexure VI and notes to Restated Consolidated Financial Information in Annexure VII.

As per our examination report of even date attached
For G B C A & Associates LLP
Chartered Accountants
FRN: 103142W / W100292

For and on behalf of Board of Directors
SFC Environmental Technologies Limited
(Formerly known as SFC Environmental Technologies Private Limited)

Yogesh R. Amal
Partner
Membership No. 111636
Place: Mumbai
Date: 28-11-2024

Sandeep Sudhakar Asolkar
Chairman & Managing Director
DIN: 00097828
Place: Navi Mumbai
Date: 28-11-2024

Sarvesh Kumar Garg
Executive Director
DIN: 06873116
Place: Navi Mumbai
Date: 28-11-2024

Amit Anil Sawant
Chief Financial Officer
Place: Navi Mumbai
Date: 28-11-2024

Shweta Deshpande
Company Secretary
M. No.: A-67764
Place: Navi Mumbai
Date: 28-11-2024

Annexure II
Restated Consolidated Statement of Profit and Loss
CIN: U37003MH2005PLC152235
(Currency: Indian Rupees in Millions, unless otherwise stated)

	Particulars	Notes	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
I	**Income**						
	Revenue from operations	36	940.91	705.39	6,583.92	5,196.86	4,967.34
	Other income	37	72.24	20.88	190.71	113.78	142.76
	Impairment gain on financial assets	38	0.29	-	1.79	-	28.87
	Total income		1,013.45	726.27	6,776.41	5,310.64	5,138.97
II	**Expenses**						
	Purchases of Stock-in-trade	39	107.14	240.91	2,062.82	2,517.15	2,585.27
	Cost of Material Consumed	40	301.63	232.92	1,221.90	682.85	554.37
	Project Cost	41	28.79	50.01	261.66	15.45	1.97
	Changes in inventories	42	43.11	(66.72)	(162.69)	(198.70)	(78.92)
	Employee benefits expense	43	182.46	125.97	600.00	494.73	437.71
	Finance costs	44	30.00	8.23	88.26	36.04	39.22
	Depreciation and amortization expense	45	42.81	18.53	124.58	59.08	49.32
	Impairment loss on financial assets	46	0.24	0.34	2.78	4.24	-
	Other expenses	47	184.03	87.54	666.69	440.43	407.78
	Total expenses		920.23	697.76	4,866.01	4,051.26	3,996.73
III	**Profit before share of profit of joint ventures and associate (I + II)**		**93.22**	**28.51**	**1,910.40**	**1,259.38**	**1,142.24**
IV	Add: Share of profit of joint ventures and associate		2.80	15.51	24.06	13.13	27.65
V	**Profit before tax (III + IV)**		**96.01**	**44.02**	**1,934.47**	**1,272.51**	**1,169.90**
VI	**Tax expense**						
	Current tax	48	33.54	23.89	505.46	332.24	288.33
	Deferred tax	48	(1.56)	(6.67)	(11.01)	(7.82)	29.96
	MAT Credit	48	(0.98)	-	(1.72)	-	-
	Total tax expense		31.01	17.22	492.74	324.42	318.29
VII	**Profit after Tax (V - VI)**		**65.01**	**26.80**	**1,441.73**	**948.09**	**851.60**
VIII	**Profit for the period attributable to:**						
	- Owners of the Group		54.40	38.36	1,416.07	938.81	838.49
	- Non-controlling interests		10.61	(11.56)	25.66	9.28	13.11
	Other comprehensive income (OCI)						
a)	***Items that will not be susbequently reclassified to profit or loss***						
i)	Remeasurements of the defined benefit liabilities/asset		(1.85)	(4.50)	(5.11)	(7.30)	(1.52)
ii)	Income taxes related to items that will not be reclassified to profit or loss		0.62	1.14	1.33	1.87	0.39
b)	***Items that may be reclassified to profit or loss***						
i)	Exchange differences on translating the financial statements of foreign operations		(0.04)	10.54	9.66	2.11	0.00
IX	**Total other comprehensive income**		**(1.28)**	**7.18**	**5.88**	**(3.32)**	**(1.13)**
	Other comprehensive income for the period attributable to:						
	- Owners of the Group		(1.28)	7.17	7.11	(3.62)	(1.03)
	- Non-controlling interests		-	0.01	(1.23)	0.29	(0.09)
X	**Total comprehensive income for the period**		**63.73**	**33.98**	**1,447.61**	**944.76**	**850.48**
	Total comprehensive income for the period attributable to:						
	- Owners of the Group		53.12	45.53	1,423.18	935.19	837.46
	- Non-controlling interests		10.61	(11.55)	24.43	9.57	13.02
	Earnings per share face value of ₹2 each fully paid up (post split and bonus)						
	Basic earnings per share (₹) (not annualized for quarter ended June 30, 2024 and June 30, 2023)	49	0.58	0.41	15.16	10.05	8.98
	Diluted earnings per share (₹) (not annualized for quarter ended June 30, 2024 and June 30, 2023)	49	0.58	0.41	15.16	10.05	8.98

Note: The above Annexure should be read with material accounting policies forming part of the Restated Consolidated Financial Information in Annexure V, statement of adjustments to Restated Consolidated Financial Information in Annexure VI and notes to Restated Consolidated Financial Information in Annexure VII.

As per our examination report of even date attached

For G B C A & Associates LLP
Chartered Accountants
FRN: 103142W / W100292

For and on behalf of Board of Directors
SFC Environmental Technologies Limited
(Formerly known as SFC Environmental Technologies Private Limited)

Yogesh R. Amal
Partner
Membership No. 111636
Place: Mumbai
Date: 28-11-2024

Sandeep Sudhakar Asolkar
Chairman & Managing Director
DIN: 00097828
Place: Navi Mumbai
Date: 28-11-2024

Sarvesh Kumar Garg
Executive Director
DIN: 06873116
Place: Navi Mumbai
Date: 28-11-2024

Amit Anil Sawant
Chief Financial Officer
Place: Navi Mumbai
Date: 28-11-2024

Shweta Deshpande
Company Secretary
M. No.: A-67764
Place: Navi Mumbai
Date: 28-11-2024

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

Annexure III

Restated Statement of changes in equity

CIN: U37003MH2005PLC152235

(Currency: Indian Rupees in Millions, unless otherwise stated)

(A) Equity share capital

Particulars	No. of shares	Amount
Balance as at April 01, 2024	62,27,418	62.27
Changes in equity share capital during the period	-	-
Balance as at June 30, 2024	**62,27,418**	**62.27**
Balance as at April 01, 2023	62,27,418	62.27
Changes in equity share capital during the period	-	-
Balance as at June 30, 2023	**62,27,418**	**62.27**
Balance as at April 01, 2023	62,27,418	62.27
Changes in equity share capital during the period	-	-
Balance as at March 31, 2024	**62,27,418**	**62.27**
Balance as at April 01, 2022	62,27,418	62.27
Changes in equity share capital during the period	-	-
Balance as at March 31, 2023	**62,27,418**	**62.27**
Balance as at April 01, 2021	60,00,000	60.00
Changes in equity share capital during the period*	2,27,418	2.27
Balance as at March 31, 2022	**62,27,418**	**62.27**

* Refer note 24(e) for more information.

(B) Other equity

Particulars	Reserve and surplus						Exchange differences on translation of foreign operations	Other Comprehensive Income	Total	Non Controlling Interests
	Securities Premium	Retained earnings	General Reserves	Capital Reserves	Gain on Bargain Purchase	Standard Reserve u/s 45IC of the RBI Act				
Balance as at April 01, 2024	3.97	5,110.13	70.18	21.40	58.41	0.03	24.98	(8.42)	5,280.68	268.50
Profit for the period	-	54.40	-	-	-	-	-	-	54.40	10.61
Acquisition of Subsidiary	-	(3.95)	-	-	-	-	-	-	(3.95)	1.55
Transfers during the period	-	-	-	-	-	-	-	-	-	(0.17)
Additions/ Utilisations during the period	-	-	-	-	-	-	0.13	-	0.13	-
Other Changes	-	-	-	-	-	-	-	-	-	-
Re-measurement gain/(loss) of defined benefit plans (net of tax)	-	-	-	-	-	-	-	(1.28)	(1.28)	0.04
Total other comprehensive income for the period	**3.97**	**5,160.58**	**70.18**	**21.40**	**58.41**	**0.03**	**25.11**	**(9.70)**	**5,329.98**	**280.53**
Transactions with owners of the group										
- Contributions and Distributions										
Dividends	-	(124.55)	-	-	-	-	-	-	(124.55)	-
Balance as at June 30, 2024	**3.97**	**5,036.03**	**70.18**	**21.40**	**58.41**	**0.03**	**25.11**	**(9.70)**	**5,205.43**	**280.53**

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

Annexure III

Restated Statement of changes in equity

CIN: U37003MH2005PLC152235

(Currency: Indian Rupees in Millions, unless otherwise stated)

Particulars	Reserve and surplus						Exchange differences on translation of foreign operations	Other Comprehensive Income	Total	Non Controlling Interests
	Securities Premium	Retained earnings	General Reserves	Capital Reserves	Gain on Bargain Purchase	Standard Reserve u/s 45IC of the RBI Act				
Balance as at April 01, 2023	3.97	3,787.64	70.30	21.37	-	0.03	15.07	(6.50)	3,891.89	109.98
Profit for the period	-	38.36	-	-	-	-	-	-	38.36	(11.56)
Acquisition of Subsidiary	-	-	-	-	-	-	-	-	-	2.00
Transfers during the period	-	-	-	-	-	-	-	-	-	0.52
Additions/ Utilisations during the period	-	-	-	-	-	-	10.32	-	10.32	-
Other Changes	-	0.17	-	-	-	-	-	-	0.17	-
Re-measurement gain/(loss) of defined benefit plans (net of tax)	-	-	-	-	-	-	-	(3.37)	(3.37)	0.01
Total other comprehensive income for the period	**3.97**	**3,826.17**	**70.30**	**21.37**	**-**	**0.03**	**25.40**	**(9.87)**	**3,937.38**	**100.95**
Transactions with owners of the group										
- Contributions and Distributions										
Dividends	-	-	-	-	-	-	-	-	-	-
Balance as at June 30, 2023	**3.97**	**3,826.17**	**70.30**	**21.37**	**-**	**0.03**	**25.40**	**(9.87)**	**3,937.38**	**100.95**

Particulars	Reserve and surplus						Exchange differences on translation of foreign operations	Other Comprehensive Income	Total	Non Controlling Interests
	Securities Premium	Retained earnings	General Reserves	Capital Reserves	Gain on Bargain Purchase	Standard Reserve u/s 45IC of the RBI Act				
Balance as at April 01, 2023	3.97	3,787.64	70.30	21.37	-	0.03	15.07	(6.50)	3,891.89	109.98
Profit for the period	-	1,416.07	-	-	-	-	-	-	1,416.07	25.66
Acquisition of Subsidiary	-	171.70	-	-	-	-	-	0.57	172.28	138.01
Transfers during the period	-	0.12	(0.12)	-	-	-	-	-	-	0.05
Additions/ Utilisations during the period	-	-	-	0.03	58.41	-	9.91	-	68.35	-
Other Changes	-	(171.99)	-	-	-	-	-	-	(171.99)	-
Re-measurement gain/(loss) of defined benefit plans (net of tax)	-	-	-	-	-	-	-	(2.50)	(2.50)	(1.29)
Total other comprehensive income for the period	**3.97**	**5,203.54**	**70.18**	**21.40**	**58.41**	**0.03**	**24.98**	**(8.42)**	**5,374.09**	**272.42**
Transactions with owners of the group										
- Contributions and Distributions										
Dividends	-	(93.41)	-	-	-	-	-	-	(93.41)	(3.92)
Balance as at March 31, 2024	**3.97**	**5,110.13**	**70.18**	**21.40**	**58.41**	**0.03**	**24.98**	**(8.42)**	**5,280.68**	**268.50**

Particulars	Reserve and surplus						Exchange differences on translation of foreign operations	Other Comprehensive Income	Total	Non Controlling Interests
	Securities Premium	Retained earnings	General Reserves	Capital Reserves	Gain on Bargain Purchase	Standard Reserve u/s 45IC of the RBI Act				
Balance as at April 01, 2022	3.97	3,117.91	70.54	21.37	-	-	13.23	(1.05)	3,225.97	99.92
Profit for the period	-	938.81	-	-	-	-	-	-	938.81	9.28
Acquisition of Subsidiary	-	-	-	-	-	-	-	-		0.49
Transfers during the period	-	0.20	(0.24)	-	-	0.03	-	-		0.27
Additions/ Utilisations during the period	-	-	-	-	-	-	1.84	-	1.84	-
Other Changes	-	0.18	-	-	-	-	-	-	0.18	-
Re-measurement gain/(loss) of defined benefit plans (net of tax)	-	-	-	-	-	-	-	(5.46)	(5.46)	0.03
Total other comprehensive income for the period	**3.97**	**4,057.10**	**70.30**	**21.37**	**-**	**0.03**	**15.07**	**(6.50)**	**4,161.35**	**109.98**
Transactions with owners of the group										
- Contributions and Distributions										
Dividends	-	(269.46)	-	-	-	-	-	-	(269.46)	-
Balance as at March 31, 2023	**3.97**	**3,787.64**	**70.30**	**21.37**	**-**	**0.03**	**15.07**	**(6.50)**	**3,891.89**	**109.98**

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

Annexure III

Restated Statement of changes in equity

CIN: U37003MH2005PLC152235

(Currency: Indian Rupees in Millions, unless otherwise stated)

Particulars	Reserve and surplus						Exchange differences on translation of foreign operations	Other Comprehensive Income	Total	Non Controlling Interests
	Securities Premium	Retained earnings	General Reserves	Capital Reserves	Gain on Bargain Purchase	Standard Reserve u/s 45IC of the RBI Act				
Balance as at April 01, 2021 before Ind AS impact	3.97	2,446.36	70.81	21.37	-	-	13.22	-	2,555.72	92.42
Effect on account of Scheme of Merger	-	(49.40)	-	-	-	-	-	-	(49.40)	-
Ind AS transition impact	-	(117.81)	-	-	-	-	-	-	(117.81)	(5.52)
Balance as at April 01, 2021 after Ind AS impact	3.97	2,279.14	70.81	21.37	-	-	13.22	-	2,388.51	86.91
Profit for the period	-	838.49	-	-	-	-	-	-	838.49	13.11
Acquisition of Subsidiary	-	-	-	-	-	-	-	-	-	-
Transfers during the period	-	0.27	(0.27)	-	-	-	-	-	-	(0.01)
Additions/ Utilisations during the period	-	-	-	-	-	-	0.01	-	0.01	-
Other Changes	-	-	-	-	-	-	-	-	-	-
Re-measurement gain/(loss) of defined benefit plans (net of tax)	-	-	-	-	-	-	-	(1.05)	(1.05)	(0.08)
Total other comprehensive income for the period	**3.97**	**3,117.91**	**70.54**	**21.37**	**-**	**-**	**13.23**	**(1.05)**	**3,225.97**	**99.92**
Transactions with owners of the group										
- Contributions and Distributions										
Dividends	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	**3.97**	**3,117.91**	**70.54**	**21.37**	**-**	**-**	**13.23**	**(1.05)**	**3,225.97**	**99.92**

As per our examination report of even date attached

For G B C A & Associates LLP
Chartered Accountants
FRN: 103142W / W100292

For and on behalf of Board of Directors
SFC Environmental Technologies Limited
(Formerly known as SFC Environmental Technologies Private Limited)

Yogesh R. Amal
Partner
Membership No. 111636
Place: Mumbai
Date: 28-11-2024

Sandeep Sudhakar Asolkar
Chairman & Managing Director
DIN: 00097828
Place: Navi Mumbai
Date: 28-11-2024

Sarvesh Kumar Garg
Executive Director
DIN: 06873116
Place: Navi Mumbai
Date: 28-11-2024

Amit Anil Sawant
Chief Financial Officer
Place: Navi Mumbai
Date: 28-11-2024

Shweta Deshpande
Company Secretary
M. No.: A-67764
Place: Navi Mumbai
Date: 28-11-2024

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)
Annexure IV
Restated Statement of Cash Flows
CIN: U37003MH2005PLC152235
(Currency: Indian Rupees in Millions, unless otherwise stated)

Particulars	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Cash flows from operating activities					
Profit for the period before tax	96.01	44.02	1,934.47	1,272.51	1,169.90
Adjustments for :					
Depreciation and amortization expenses	42.81	18.53	124.58	59.08	49.32
Finance costs	29.93	8.23	87.76	36.04	33.19
Interest income on fixed deposit	(13.31)	(4.07)	(109.65)	(60.73)	(23.87)
Interest income on loans given	(9.87)	(1.54)	(3.19)	(4.80)	(41.28)
Bad debts written off	0.46	-	10.09	4.00	35.71
Impairment gain/loss on financial asset	(0.04)	0.34	1.00	4.24	(28.87)
Net (gain)/loss on fair valuation of Mutual Funds	-	(11.72)	(11.72)	(4.22)	4.50
Net (gain)/loss of sale of Fixed Assets	(36.08)	-	(16.42)	(1.11)	(10.64)
Net (gain)/loss of sale of Investment Property	-	-	(16.63)	(19.91)	(30.54)
Share of profit of the Associate Companies (Net)	(2.80)	(15.51)	(24.06)	(13.13)	(27.65)
Operating profit before working capital changes	**107.11**	**38.30**	**1,976.22**	**1,271.97**	**1,129.77**
Working capital adjustments :					
(Decrease)/ increase in other current liabilities	(177.08)	(311.78)	(111.33)	122.17	(69.32)
(Decrease)/ increase in trade payables	(412.74)	(515.47)	29.43	272.96	151.23
(Decrease)/ increase in other financial liabilities	(84.93)	(40.75)	83.81	31.87	(163.91)
(Decrease)/ increase in provisions	(1.08)	2.51	(11.99)	(25.35)	25.29
Decrease/ (increase) in inventories	(13.64)	(99.29)	(345.99)	(280.09)	(54.19)
Decrease/ (increase) in trade receivables	1,320.37	621.57	(1,561.74)	(585.17)	(770.95)
Decrease/ (increase) in other financial assets	(35.88)	(19.10)	(153.74)	29.50	58.33
Decrease/ (increase) in other current assets	(28.44)	279.63	193.28	(176.90)	(59.87)
Decrease/ (increase) in non-current assets	(12.18)	(0.03)	(58.91)	(1.27)	5.28
Adjustments on account of acquistion of subsidiary	-	-	333.12	-	-
Cash generated from operations	**661.51**	**(44.41)**	**372.17**	**659.70**	**251.65**
Income taxes paid (net of refunds)	(62.67)	(24.75)	(415.89)	(338.10)	(293.59)
Net cash from operating activities (A)	**598.84**	**(69.16)**	**(43.72)**	**321.60**	**(41.93)**
Cash flows from investing activities					
Payment for property, plant and equipment and intangible assets	(111.84)	(169.80)	(276.08)	(111.75)	(29.81)
Sale of property, plant and equipment and intangible assets	57.80	-	34.49	-	13.98
Sale of investment property^	(0.00)	-	48.00	66.43	96.47
Investment in Mutual Fund (Net)^	-	201.94	201.94	(0.00)	(190.50)
Consideration paid on acquisition of subsidiary	(2.40)	2.00	(151.96)	-	-
Investment in Equity Instrument^	0.00	0.07	-	(37.23)	0.00
Investments in fixed deposits (Net)	210.88	(493.23)	(609.36)	(120.29)	(39.64)
Interest received on fixed deposits	13.31	4.07	109.65	60.73	23.87
Loans given (Net)	(99.46)	18.45	(120.23)	6.75	(87.33)
Interest received on loans given	9.87	1.54	3.19	4.80	41.28
Net cash generated from/(used in) investing activities (B)	**78.17**	**(434.96)**	**(760.35)**	**(130.55)**	**(171.68)**
Cash flows from financing activities					
Dividend Paid	(124.55)	-	(97.33)	(269.46)	-
Proceeds from long-term borrowings (Net)	106.27	-	457.15	(2.64)	0.99
Proceeds from short-term borrowings (Net)	(543.73)	381.25	385.44	86.93	226.03
Interest paid on long-term borrowings	(15.15)	(0.48)	(31.89)	(14.90)	(14.57)
Interest paid on short-term borrowings	(11.84)	(6.86)	(47.04)	(19.26)	(17.73)
Repayment of lease liability	(6.65)	(2.30)	(20.56)	(7.40)	(1.87)
Interest paid on lease liability	(3.12)	(1.04)	(8.79)	(2.00)	(0.92)
Net cash flow used in financing activities (C)	**(598.78)**	**370.57**	**636.98**	**(228.73)**	**191.93**
Net increase(decrease) in cash and cash equivalents (A)+(B)+(C)	**78.23**	**(133.55)**	**(167.09)**	**(37.69)**	**(21.68)**
Cash and cash equivalent at the beginning of the period	77.32	226.48	226.48	264.17	285.86
Add: Upon Addition of Subsidiary	-	-	17.94	-	-
Cash and cash equivalents at the end of the period (refer note 20)	**155.56**	**92.93**	**77.32**	**226.48**	**264.18**
Components of Cash and cash equivalents -					
Cash in hand	2.48	1.00	1.57	1.31	0.66
Balances with bank	153.08	91.93	75.75	225.17	263.52
Bank Overdraft	-	-	-	-	-
Total cash and cash equivalents (refer note 20)	**155.56**	**92.93**	**77.32**	**226.48**	**264.18**

^ represents amount less than 0.01 Million

Notes:

i) The above restated consolidated cash flow from operating activities has been prepared using indirect method as setout in Ind AS- 7 Cash Flow Statements as prescribed under section 133 of the Companies Act, 2013 read with rules.

ii) The above Annexure should be read with significant accounting policies forming part of the Restated Consolidated Financial Information in Annexure V, statement of adjustments to Restated Consolidated Financial Information in Annexure VI and notes to Restated Consolidated Financial Information in Annexure VII.

As per our examination report of even date attached
For G B C A & Associates LLP
Chartered Accountants
FRN: 103142W / W100292

For and on behalf of Board of Directors
SFC Environmental Technologies Limited
(Formerly known as SFC Environmental Technologies Private Limited)

Yogesh R. Amal
Partner
Membership No. 111636
Place: Mumbai
Date: 28-11-2024

Sandeep Sudhakar Asolkar
Chairman & Managing Director
DIN: 00097828
Place: Navi Mumbai
Date: 28-11-2024

Sarvesh Kumar Garg
Executive Director
DIN: 06873116
Place: Navi Mumbai
Date: 28-11-2024

Amit Anil Sawant
Chief Financial Officer
Place: Navi Mumbai
Date: 28-11-2024

Shweta Deshpande
Company Secretary
M. No.: A-67764
Place: Navi Mumbai
Date: 28-11-2024

1 Group Overview

SFC Environmental Technologies Limited (formerly known as SFC Environmental Technologies Private Limited) ('the company' or 'the parent' or 'the holding company') is company established on March 29, 2005 having its registered office situated at The Ambience Court Hi-Tech Business Park, 21st Floor, Sector 19-D, Plot No. 2, Vashi, Navi Mumbai. The company has changed its name from "SFC Environmental Technologies Private Limited" to "SFC Environmental Technologies Limited", and a fresh certificate of incorporation consequent to change of name was issued by RoC on August 13, 2024. The Group is an environmental technology group offering efficient technologies and comprehensive engineering solutions primarily in the field of wastewater treatment (“WWT”) and solid waste treatment (“SWT”) (including agro-based biogas projects).

2 Basis for Preparation

The Restated Consolidated Financial Information have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in respect of Section 133 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except if compliance with other statutory promulgations require a different treatment.

2.1 Statement of Compliance

The Restated Consolidated Financial Information of the group, its associate and its joint ventures comprise the Restated Consolidated Balance Sheet as at June 30, 2024, June 30, 2023, March 31, 2024, March 31, 2023, March 31, 2022; the related Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, and the Restated Consolidated Statement of Cash Flows for the quarter ended June 30, 2024 and June 30, 2023 and year ended March 31, 2024, March 31, 2023 and March 31, 2022 and the material accounting policies and Restated Consolidated Other Financial Information (together referred to as 'Restated Consolidated Financial Information').

The Restated Consolidated Financial Information have been prepared on a going concern basis. The accounting policies, effective as on June 30, 2024 are applied consistently to all the periods presented in the Restated Consolidated Financial Information.

The Restated Consolidated financial information comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

These Restated Consolidated Financial Information have been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended issued by the Securities and Exchange Board of India ('SEBI'), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Draft Red Herring Prospectus in connection with the proposed initial public offering of equity shares of the Company comprising a fresh issue of equity shares and an offer for sale of equity Shares held by the Selling shareholders (the "Offer"), prepared by the in terms of the requirements of:

- Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note")

The Restated Consolidated Financial Information has been compiled by the Group from:

I. Audited Consolidated Financial Statements of the Group as at and for the years ended March 31, 2024 and March 31, 2023, prepared in accordance with Indian Accounting Standard (referred to “Ind AS”) as prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which has been approved by the Board of Directors at their meeting held on August 08, 2024 and October 27, 2023 respectively.

II. Audited Special Purpose Consolidated Financial Statements of the Group as at and for the quarter ended June 30, 2024 and June 30, 2023 prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on November 28, 2024.

III. Audited Special Purpose Consolidated Financial Statements of the Group, its associates and its joint venture as at and for the year ended March 31, 2022, were approved by the Board of Directors at their Board meeting held on November 28, 2024. Audited Special Purpose Consolidated Financial Statements for the year ended March 31, 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies (both mandatory exceptions and optional exemptions) availed as per Ind AS 101 for the transition date of April 1, 2021 and as per the presentation, accounting policies and grouping/classifications followed as at and for the quarter ended June 30, 2024.

The Special Purpose Financial Statements are prepared for the limited purpose of complying with the requirement of getting these financial statements audited by an audit firm holding a valid peer review certificate issued by the “Peer Review Board” of the ICAI as required by ICDR Regulations in relation to proposed IPO. These financial statements cannot be referred to or distributed or included in any offering document or used for any other purpose except as stated above.

- Further, there were no changes in accounting policies during the period of these Financial Statements (Refer Annexure VI - "Statement of adjustments to restated consolidated financial information");
- there were no material amounts which have been adjusted for, in arriving at profit / loss of the respective periods.

The Restated Consolidated Financial Information have been prepared so as to contain information/disclosures and incorporating adjustments set out below in accordance with the SEBI ICDR Regulations:
a. Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Restated Financial Information of the Group for the quarter ended June 30, 2024 and the requirements of the SEBI ICDR Regulations, if any;
b. do not require any adjustments for modifications as there is no modification in the underlying audit reports.

The Restated Consolidated Financial Information for the quarter ended June 30, 2024 and June 30, 2023 and year ended March 31, 2024, March 31, 2023 and March 31, 2022 were approved for issue in accordance with the resolution of the Board of Directors on November 28, 2024.

These Restated Consolidated Financial Information are presented in Indian Rupees (INR), which is also the functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

2.2 Basis of accounting and preparation and presentation of financial statements

The Restated Consolidated Financial Information have been prepared on a historical cost basis, except for the following assets and liabilities which are measured on an alternative basis on each reporting date:
i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
ii) Employee's Defined Benefit Plan as per actuarial valuation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.
In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.

When measuring the fair value of an asset or a liability, the group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.3 Use of estimates and Judgements

The preparation of these restated consolidated financials information in conformity with the recognition and measurement principles of Ind AS requires the management of the Group to make estimates assumptions and judgments that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the restated consoldiated financial information and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The following are the critical estimates, assumptions and judgements that the management have made in the process of applying the Group's accounting policies and that have a significant effect on the amounts recognized in the financial statements:

(a) Useful lives of Property, plant and equipment:
Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group''s assets are determined by the Management at the time the asset is acquired and reviewed periodically.

(b) Employee benefits:
Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(c) Provision for income tax and deferred tax assets
The Group uses estimates and judgements based on the relevant rulings in the areas of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(d) Provisions and contingent liabilities
The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Group uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

(e) Fair value measurement of financial instruments
When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as market risk, liquidity risk and credit risk.

(f) Allowance for credit losses on receivables
The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates.

(g) Impairment of non- financial assets
The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s fair value less costs of disposal and its value in use. It is determined for an individual asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre- tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

2.4 Classification of Assets and Liabilities into Current/Non-Current

The Operating Cycle of the Group is the time between the acquisitions of the assets for processing and their realisation in cash & cash equivalents. The Group has identified twelve months as its operating cycle for the purpose of current and non current classification of assets and liabilities.
For the purpose of Balance Sheet, an asset is classified as current if:
(i) It is expected to be realized, or is intended to be sold or consumed, in the normal operating cycle; or
(ii) It is held primarily for the purpose of trading; or
(iii) It is expected to realise the asset within twelve months after the reporting period; or
(iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
All other assets are classified as non-current.

Similarly, a liability is classified as current if:
(i) It is expected to be settled in the normal operating cycle; or
(ii) It is held primarily for the purpose of trading; or
(iii) It is due to be settled within twelve months after the reporting period; or
(iv) The Group does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.
All other liabilities are classified as non-current.

3 Material accounting policies

The accounting policies set out below have been applied consistently to the periods presented in the Financials Statements.

3.1 Basis of Consolidation

i) Consolidation of subsidiaries

Consolidation of a subsidiary begins when the parent company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

ii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

The consolidated financial statements present the consolidated accounts which consist of accounts of the Company and that of the following subsidiaries, associates, joint ventures of the Group.

iii) Equity - accounted investee (Associate)

The interest in equity in investees comprise interests in associates. An associate is an entity in which the group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition the Restated Consolidated Financial Information include the groups share of profit or loss and OCI of equity accounted investee until the date on which significant influence ceases.

(Currency: Indian Rupees in Millions, unless otherwise stated)

Name of the Company	Country of Incorporation	Effective holding as of June 30,		Effective holding as of March 31,			Controlled/owned by Group since
		2024	2023	2024	2023	2022	
Subsidiary Companies:							
Chavare Engineering Private Limited	India	51.00%	51.00%	51.00%	51.00%	51.00%	2010-11
Navitas Waste Treatment Private Limited	India	100.00%	100.00%	100.00%	100.00%	100.00%	2014-15
Vasudha Waste Treatment Private Limited	India	74.00%	74.00%	74.00%	74.00%	74.00%	2020-21
SFC Umwelttechnik GmbH	Austria	87.23%	87.23%	87.23%	87.23%	87.23%	2008-09
SFC Ekotechnika S.r.o (step down subsidiary)	Czechia	87.23%	87.23%	87.23%	87.23%	87.23%	2008-09
Fine Aeration Systems Private Limited	India	51.00%	51.00%	51.00%	51.00%	-	2022-23
Hindustan Waste Treatment Private Limited	India	80.00%	-	80.00%	-	-	2023-24
Pentagen Biofuels Private Limited	India	100.00%	80.00%	88.00%	-	-	2023-24
Chavare Engineering & Endress Plus Hauser JV * (step down subsidiary)	India	26.01%	26.01%	26.01%	-	-	2023-24
Associate Companies:							
Hindustan Waste Treatment Private Limited	India	-	49.00%	-	49.00%	49.00%	2014-15
Turbomax India Private Limited	India	49.00%	49.00%	49.00%	49.00%	-	2022-23
Joint Ventures **:							
Endress + Hauser & Chavare Engineering (JV) Private Limited	India	24.99%	24.99%	24.99%	24.99%	24.99%	2017-18
Gharpure Engg & Const PL - Chavare Engg PL JV #	India	-	2.55%	-	2.55%	2.55%	2017-18

* It is non-corporate entity (Association of Persons) being consolidated as per the requirement of IND AS 110 "Consolidated Financial Statement".
** These are joint ventures of our subsidiary (Chavare Engineering Private Limited).
# This joint venture was a non corporate entity (Association of Persons) and it ceases to exist w.e.f. August 08, 2023.
Additional information as required by Paragraph 2 of the General Instructions to Schedule III to the Companies Act, 2013.

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

Annexure V

Notes to Restated Consolidated Financial Information

CIN: U37003MH2005PLC152235

(Currency: Indian Rupees in Millions, unless otherwise stated)

For period ended June 30, 2024

Name of Entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of OCI	Amount	As a % of Total Comprehensive income	Amount
Parent								
SFC Environmental Technologies Pvt. Ltd.	91.23%	5,063.36	93.03%	60.48	120.18%	(1.84)	92.37%	58.64
Subsidiary								
Chavare Engineering Private Limited	2.13%	118.35	15.61%	10.15	-14.20%	0.22	16.33%	10.36
Navitas Waste Treatment Private Limited	-0.28%	(15.62)	-0.10%	(0.06)	0.00%	-	-0.10%	(0.06)
Vasudha Waste Treatment Private Limited	1.31%	72.71	14.76%	9.60	0.44%	(0.01)	15.11%	9.59
SFC Umwelttechnik GmbH	0.46%	25.63	-47.44%	(30.84)	12.96%	(0.20)	-48.90%	(31.04)
SFC Ekotechnika S.r.o (step down subsidiary)	0.13%	7.34	-3.74%	(2.43)	-10.13%	0.16	-3.59%	(2.28)
Fine Aeration Systems Private Limited	-0.19%	(10.53)	-4.68%	(3.04)	-1.09%	0.02	-4.77%	(3.03)
Hindustan Waste Treatment Private Limited	10.71%	594.44	40.07%	26.05	-8.16%	0.13	41.24%	26.18
Pentagen Biofuels Private Limited	-0.23%	(12.95)	-21.92%	(14.25)	0.00%	-	-22.45%	(14.25)
Chavare Engineering & Endress Plus Hauser JV (step down subsidiary)	-0.01%	(0.36)	1.55%	1.00	0.00%	-	1.58%	1.00
Non Controlling Interest	5.05%	280.53	16.31%	10.61	0.00%	-	16.71%	10.61
Share of Profit of joint ventures and associate	0.05%	2.80	4.30%	2.80	0.00%	-	4.41%	2.80
Inter- Group Elimination & Consolidation Adjustments	-10.37%	-575.70	-7.76%	(5.04)	0.00%	-	-7.94%	(5.04)
Total	100%	5,550.00	100.00%	65.01	100.00%	(1.53)	100.00%	63.48

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

Annexure V

Notes to Restated Consolidated Financial Information

CIN: U37003MH2005PLC152235

(Currency: Indian Rupees in Millions, unless otherwise stated)

For period ended June 30, 2023

Name of Entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of OCI	Amount	As a % of Total Comprehensive income	Amount
Parent								
SFC Environmental Technologies Pvt. Ltd.	96.20%	3,944.85	265.25%	71.11	-47.20%	(3.39)	199.27%	67.72
Subsidiary								
Chavare Engineering Private Limited	2.09%	85.68	-26.88%	(7.21)	0.00%	-	-21.20%	(7.21)
Navitas Waste Treatment Private Limited	0.45%	18.31	-0.27%	(0.07)	0.00%	-	-0.21%	(0.07)
Vasudha Waste Treatment Private Limited	1.01%	41.28	8.59%	2.30	0.30%	0.02	6.84%	2.32
SFC Umwelttechnik GmbH	0.53%	21.59	-103.55%	(27.76)	8.23%	0.59	-79.95%	(27.17)
SFC Ekotechnika S.r.o (step down subsidiary)	0.04%	1.56	-35.52%	(9.52)	138.64%	9.95	1.26%	0.43
Fine Aeration Systems Private Limited	-0.03%	(1.22)	-4.72%	(1.26)	0.00%	-	-3.72%	(1.26)
Hindustan Waste Treatment Private Limited^	0.00%	-	0.00%	-	-0.06%	(0.00)	-0.01%	(0.00)
Pentagen Biofuels Private Limited	0.18%	7.58	-1.56%	(0.42)	0.00%	-	-1.23%	(0.42)
Chavare Engineering & Endress Plus Hauser JV (step down subsidiary)	0.00%	(0.06)	-0.63%	(0.17)	0.00%	-	-0.49%	(0.17)
Non Controlling Interest	2.46%	100.95	-43.11%	(11.56)	0.09%	0.01	-33.98%	(11.55)
Share of Profit of joint ventures and associate	0.00%	-	57.86%	15.51	0.00%	-	45.64%	15.51
Inter- Group Elimination & Consolidation Adjustments	-2.92%	(119.73)	-15.48%	(4.15)	0.00%	-	-12.21%	(4.15)
Total	100.00%	4,100.78	100.00%	26.81	100.00%	7.18	100.00%	33.98

^ represents amount less than 0.01 Million

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

Annexure V

Notes to Restated Consolidated Financial Information

CIN: U37003MH2005PLC152235

(Currency: Indian Rupees in Millions, unless otherwise stated)

For year ended March 31, 2024

Name of Entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of OCI	Amount	As a % of Total Comprehensive income	Amount
Parent								
SFC Environmental Technologies Pvt. Ltd.	91.41%	5,129.27	93.41%	1,346.78	-20.76%	(1.22)	92.95%	1,345.56
Subsidiary								
Chavare Engineering Private Limited	1.92%	107.98	1.42%	20.54	-23.08%	(1.36)	1.33%	19.18
Navitas Waste Treatment Private Limited	-0.28%	(15.55)	1.97%	28.36	0.00%	-	1.96%	28.36
Vasudha Waste Treatment Private Limited	1.12%	63.12	1.68%	24.19	-0.43%	(0.03)	1.67%	24.16
SFC Umwelttechnik GmbH	1.01%	56.64	0.52%	7.47	5.95%	0.35	0.54%	7.82
SFC Ekotechnika S.r.o (step down subsidiary)	0.17%	9.33	0.00%	0.04	157.53%	9.26	0.64%	9.30
Fine Aeration Systems Private Limited	-0.13%	(7.50)	-0.52%	(7.55)	0.00%	-	-0.52%	(7.55)
Hindustan Waste Treatment Private Limited	10.13%	568.26	1.75%	25.27	1.79%	0.11	1.75%	25.37
Pentagen Biofuels Private Limited	0.05%	2.85	-1.02%	(14.75)	0.00%	-	-1.02%	(14.75)
Chavare Engineering & Endress Plus Hauser JV (step down subsidiary)	-0.01%	(0.71)	-0.14%	(2.03)	0.00%	-	-0.14%	(2.03)
Non Controlling Interest	4.79%	268.50	1.78%	25.66	-21.00%	(1.23)	1.69%	24.43
Share of Profit of joint ventures and associate		-	1.67%	24.06	0.00%	-	1.66%	24.06
Inter- Group Elimination & Consolidation Adjustments	-10.18%	(571.05)	-2.52%	(36.30)	0.00%	-	-2.51%	(36.30)
Total	100.00%	5,611.14	100.00%	1,441.73	100.00%	5.88	100.00%	1,447.61

(Currency: Indian Rupees in Millions, unless otherwise stated)

For year ended March 31, 2023

Name of Entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of OCI	Amount	As a % of Total Comprehensive income	Amount
Parent								
SFC Environmental Technologies Pvt. Ltd.	95.40%	3,877.13	97.04%	1,346.78	166.28%	(5.53)	95.42%	901.47
Subsidiary								
Chavare Engineering Private Limited	4.16%	169.01	0.70%	9.72	-2.16%	0.07	1.04%	9.80
Navitas Waste Treatment Private Limited	0.45%	18.38	0.01%	0.17	0.00%	-	0.02%	0.17
Vasudha Waste Treatment Private Limited	1.00%	40.70	0.54%	7.51	0.00%	-	0.80%	7.51
SFC Umwelttechnik GmbH	1.42%	57.83	-1.11%	(15.42)	-54.67%	1.82	-1.44%	(13.60)
SFC Ekotechnika S.r.o (step down subsidiary)	0.03%	1.07	0.04%	0.54	-0.69%	0.02	0.06%	0.56
Fine Aeration Systems Private Limited	0.01%	0.54	-0.03%	(0.46)	0.00%	-	-0.05%	(0.46)
Non Controlling Interest	2.71%	109.98	0.67%	9.28	-8.76%	0.29	1.01%	9.57
Share of Profit of joint ventures and associate	0.00%	-	0.95%	13.13	0.00%	-	0.00%	-
Inter- Group Elimination & Consolidation Adjustments	-5.18%	(210.49)	1.20%	16.62	0.00%	-	3.15%	29.75
Total	100.00%	4,064.14	100.00%	1,387.87	100.00%	(3.32)	100.00%	944.76

(Currency: Indian Rupees in Millions, unless otherwise stated)

For year ended March 31, 2022

Name of Entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of other comprehensive income	Amount	As a % of total comprehensive income	Amount
Parent								
SFC Environmental Technologies Pvt. Ltd.	95.78%	3,245.12	95.62%	814.34	71.75%	(0.81)	95.66%	813.53
Subsidiary								
Chavare Engineering Private Limited	4.70%	159.22	0.45%	3.80	21.10%	(0.24)	0.42%	3.56
Navitas Waste Treatment Private Limited	0.54%	18.21	0.19%	1.63	0.00%	-	0.19%	1.63
Vasudha Waste Treatment Private Limited	0.98%	33.18	3.11%	26.50	0.00%	-	3.12%	26.50
SFC Umwelttechnik GmbH	2.11%	71.43	0.12%	1.03	5.99%	(0.07)	0.11%	0.96
SFC Ekotechnika S.r.o (step down subsidiary)	0.01%	0.32	-0.12%	(0.98)	-7.12%	0.08	-0.11%	(0.90)
Non Controlling Interest	2.95%	99.92	1.54%	13.11	8.29%	(0.09)	1.53%	13.02
Share of Profit of joint ventures and associate	0.00%	-	3.25%	27.65	0.00%	-	0.00%	-
Inter- Group Elimination & Consolidation Adjustments	-7.06%	(239.24)	-4.17%	(35.48)	0.00%	-	-0.92%	(7.82)
Total	100.00%	3,388.17	100.00%	851.60	100.00%	(1.13)	100.00%	850.48

3.2 Revenue from contracts with customers

Revenue from operations:

Revenue is recognized on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration. Revenue excludes taxes collected from customers on behalf of the government. Any amount receivable from customer are recognized as revenue at the point in time when control of the goods sold are transferred to the customer, generally on delivery of the goods.

Revenue from service concession arrangement has been accounted under the financial asset model. The entity recognizes financial asset arising from service concession arrangement to the extent it has an unconditional contractual right to receive payment. Financial assets are initially recognized at their fair value. Contract cost is recognized as the total cost incurred towards the financial assets. Contract revenue represents revenue from contracts wherein the performance obligation is satisfied over a period of time. and revenue is recognized by additionally applying specified margin on the total cost incurred towards the financial assets. Subsequent to initial recognition financial assets are recognized at amortized cost.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged off in Statement of Profit and Loss immediately in the period in which such costs are incurred.

The scrap sales arising directly due to operating activity is a part of revenue from operations.

3.3 Recognition of Dividend Income, Interest income or expense

Interest income or expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Other income

Interest income from other financial assets is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest income is recognized on time proportion basis taking into account the amount outstanding and the interest rate applicable.

3.4 Property, Plant & Equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, less accumulated depreciation and accumulated impairment losses, if any. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.

Expenditure incurred after the PPE have been put into use such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

Subsequent costs are included in the assets's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they were incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Capital work in Progress:

Expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE if any) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets"

Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided using written down value method, so as to write off the cost of the assets less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis. In respect of additions to /deletions from the PPE, depreciation is provided on pro-rata basis with reference to the month of addition/deletion of the Assets.

Gains or losses arising from de-recognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

3.5 Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. After initial recognition, the company measures investment property by using cost model. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The company depreciates the investment properties on written down value which is in line with the indicative useful life of relevant type of building mentioned in Part C of Schedule II to the Act.

Though investment property is measured using cost model, the fair value of investment property is disclosed in the notes.

3.6 Leases

The Group, as a lessee, recognises a right-of use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right of use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation/amortisation,

accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated/amortised using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

For short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term.

The Group, as a lessor, classifies a lease either as an operating lease or a finance lease. Leases are classified as finance lease whenever the terms

of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

3.7 Financial Instruments

i) Recognition and initial measurement

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

ii) Classification and subsequent measurement

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss. This includes all derivative financial assets (see Note 55).

Financial liabilities

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the standalone statement of profit and

iii) Derecognition

Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset or has assumed an obligation to pay the received cash flows to one or
Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial Liabilities

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying value of the financial liability and the consideration paid is recognised in standalone statement of profit and loss.

3.8 Impairment of assets

The carrying amounts of the Group's assets are reviewed at each Balance Sheet date to determine whether there is any impairment. Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Impairment loss is recognized in the statement of profit and loss or against revaluation surplus, where applicable. If at the balance sheet date there is an indication that previously assessed impairment loss no longer exists the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciated historical cost.

i) Non-derivative financial assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of all financial assets subsequent to initial recognition other than financial assets measured at fair valued through profit and loss (FVTPL). For Trade Receivables the Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed. For other financial assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk since its initial recognition. If there is significant increase in credit risk since its initial recognition full lifetime ECL is used.
The impairment losses and reversals are recognised in Statement of Profit and Loss.

ii) Impairment of non-financial Asset

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of an asset or Cash Generating Unit (CGU) is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belong. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The recoverable amount of an individual asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.
An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.
Impairment losses are recognized in profit or loss to the extent, asset's carrying amount exceeds its recoverable amount.

3.9 Inventories

Inventories are valued after providing for obsolescence, as under:
a) Raw materials, components, stores and spares at lower of cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.
b) Work-in-progress and Finished goods are valued at lower of cost or net realisable value. Cost includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
Cost is determined on weighted average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.
Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

3.10 Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost.
Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.
A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent asset are disclosed in the financial statements.
Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

3.11 Employee benefits

Employee benefits include provident fund and gratuity fund.

(i) Defined Contribution Plan:

The Group's contributions towards provident fund is defined contribution scheme. The Group's contribution paid/payable under the schemes is recognised in the Statement of Profit and Loss on accrual basis during the period in which the employee renders the

ii) Short-Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. and the expected cost of ex-gratia, if any are recognized in the statement of profit and loss in the period in which the employee renders the related service.

iii) Defined benefit plan:

The Group’s gratuity benefit scheme with Life Insurance Corporation of India is a defined benefit plan. The Group’s net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plans is determined based on actuarial valuation at each balance sheet date by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans are based on the market yields on Government securities as at the balance sheet date. When the calculation results in a benefit to the Group, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized immediately in the statement of other comprehensive income.

3.12 Taxation

The tax expenses comprise of current tax and deferred income tax charge or credit. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in Equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity, respectively.

Current Tax

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Taxable profit differs from ‘profit before tax’ as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the group’s financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are generally recognised for all taxable temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax assets relating to unabsorbed depreciation/business losses are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.
The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.
Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.
Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

3.13 Foreign currency transactions

Transactions in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate at the transaction date or at rates that closely approximate the rate at the date of the transaction. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date are recognised in the Statement of Profit & Loss in the period in which they arise.

3.14 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash, cheque in hand, cash at banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.15 Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Acquisition-related costs are generally recognised in Consolidated Statement of Profit and Loss as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:
1. Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
2. Liabilities or equity instruments related to share-based payment arrangements of the acquiree or sharebased payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and
When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.
Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any noncontrolling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of bargain purchase, before recognising gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing, directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the

non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of noncontrolling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS. When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

If the initial accounting for a business combination is incomplete by the end of the financial year, the provisional amounts for which the accounting is incomplete shall be disclosed in the financial statements and provisional amounts recognised at the acquisition date shall be retrospectively adjusted during the measurement period. During the measurement period, the group shall also recognise additional assets or liabilities if the new information is obtained about facts and circumstances that existed as of the acquisition date and if known, would have resulted in the recognition of those assets and liabilities as of that date. However, the measurement period shall not exceed the period of one year from the acquisition date. Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

3.16 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year and equity shares to be issued on conversion of mandatorily convertible instruments. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

3.17 Cash flow statement

Cash flows are reported using the indirect method, whereby the net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Group are segregated.

Cash and cash equivalents in the cash flow statement comprise cash, cheque in hand, cash at banks and bank deposits with original maturity of three months or less.

3.18 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

4 Recent pronouncement

There are no standards of accounting or any addendum thereto, prescribed by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013, which are issued and not effective as at June 30, 2024.

Annexure VI
Notes to Restated Consolidated Financial Information
CIN: U37003MH2005PLC152235
(Currency: Indian Rupees in Millions, unless otherwise stated)

Statement of adjustments to restated consolidated financial information
Part A: Statement of adjustments to restated consolidated financial information

Reconciliation between audited equity and restated equity

Particulars	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Total equity (as per audited Financial statements)	5,548.24	4,100.60	5,611.45	4,064.14	3,388.17
Adjustments					
(i) Audit qualifications	-	-	-	-	-
(ii) Adjustments due to change in accounting policy / prior period items / other adjustments	-	-	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-	-	-
Total adjustments (i + ii + iii)	-	-	-	-	-
Total Equity as per restated consolidated summary statement of assets and liabilities	5,548.24	4,100.60	5,611.45	4,064.14	3,388.17

Reconciliation between audited profit and restated profit

Particulars	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Profit/(Loss) after Tax (as per audited Financial statements)	65.01	26.80	1,441.73	948.09	851.60
Adjustments					
(i) Audit qualifications	-	-	-	-	-
(ii) Adjustments due to change in accounting policy / prior period items / other adjustments	-	-	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-	-	-
Total adjustments (i + ii + iii)	-	-	-	-	-
Restated Profit/(Loss) after Tax	65.01	26.80	1,441.73	948.09	851.60

Material regrouping: None

There have been no re-groupings required to be made in the Restated Consolidated Balance Sheet, Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Ind AS financial information of the Group respectively prepared in accordance with amended Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

Part B: Non-Adjusting events
Qualifications in Auditors' Report, which do not require any corrective adjustments in the Restated consolidated Financial Information
There are no audit qualification in auditor's report or in the report of internal financial control for the quarter ended June 30, 2024 and June 30, 2023 and financial year ended 31 March 2024, 31 March 2023 and 31 March 2022, which require corrective actions.

In addition to the audit opinion on the consolidated financial statements, the auditors are required to comment upon the other legal & regulatory matters under section 143 of Companies Act, 2013 on the financial statements as at and for the financial years ended 31 March 2024, 31 March 2023 and 31 March 2022 respectively. Certain statements/comments included in the above para in the consolidated financial statements, which do not require any adjustments in the Restated Consolidated Financial Information are reproduced below in respect of the consolidated financial statements presented.

Reporting under para vi. states that "…the Holding Company, its subsidiary companies and associate company incorporated in India has used accounting software (Tally Prime Edit Log) for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility. However, the said feature of recording audit trail (edit log) facility was enabled w.e.f. following dates:
i. In case of holding company and 2 of its subsidiaries, the said feature is enabled w.e.f from 17th April 2023,
ii. In case of 1 of its subsidiary, the said feature is enabled w.e.f from 18th April 2023,
iii. In case of 1 of its subsidiary, the said feature is enabled w.e.f from 13th June 2023,
iv. In case of 2 of its subsidiary, the said feature is not enabled throughout the year.

We have been informed that in Tally Prime Edit Log, once edit log functionality is enabled even admin user has no right to disable the same.

Based on our procedures performed for the accounting software, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March 2024.

In addition to the audit opinion on the standalone financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2020 the Companies (Auditor's Report) Order, 2016 (together "the CARO") issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 on the financial statements as at and for the financial years ended 31 March 2024, 31 March 2023 and 31 March 2022 respectively. Certain statements/comments included in the CARO in the standalone financial statements, which do not require any adjustments in the Restated Consolidated Financial Information are reproduced below in respect of the consolidated financial statements presented.

Financial year 2023-2024

Clause (vii)(a) of CARO 2016 order

According to the information and explanations given to us and basis of our examination of the records of the Company, in our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

Clause (vii)(b) of CARO 2016 order

According to the information and explanation given to us, there are no dues outstanding of VAT, GST, income tax, custom duty, wealth tax, service tax and excise duty, which have not been deposited on account of any dispute.

Financial year 2022-2023

Clause (vii)(a) of CARO 2016 order

(a) According to the information and explanations given to us and basis of our examination of the records of the Company, in our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable.

Clause (vii)(b) of CARO 2016 order

According to the information and explanation given to us, there are no dues outstanding of VAT, GST, income tax, custom duty, wealth tax, service tax and excise duty, which have not been deposited on account of any dispute.

Financial year 2021-2022

There are no statements/comments included in the CARO in the consolidated financial statements for the year ended 31 March 2022.

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

Annexure VII

Notes to Restated Consolidated Financial Information

CIN: U37003MH2005PLC152235

(Currency: Indian Rupees in Millions, unless otherwise stated)

5 Property, plant and equipment

Description of Assets	Land	Buildings	Plant & Machinery	Office Equipment	Computers	Electrical Installations	Solar Power Plant	Furniture and Fixture	Vehicles	Total
Gross Block										
Balance as at April 01, 2024	75.97	334.91	121.73	23.67	36.13	1.27	0.97	28.21	125.28	748.13
Additions	-	-	3.61	1.02	0.87	-	-	0.32	11.95	17.78
Disposals	-	25.11	-	-	0.32	-	-	-	-	25.44
Exchange Difference on Translation of foreign operations	-	-	(0.01)	(0.02)	-	-	-	-	-	(0.04)
Balance as at June 30, 2024	**75.97**	**309.79**	**125.33**	**24.67**	**36.67**	**1.27**	**0.97**	**28.53**	**137.23**	**740.43**
Depreciation / Impairment										
Balance as at April 01, 2024	-	35.38	16.97	13.80	21.11	0.67	0.35	4.73	44.03	137.04
Charge for the period	-	3.92	3.66	1.19	2.19	0.03	0.02	1.46	6.03	18.50
Disposals	-	3.66	-	-	0.06	-	-	-	-	3.72
Exchange Difference on Translation of foreign operations	-	-	(0.01)	(0.02)	-	-	-	-	-	(0.04)
Balance as at June 30, 2024	**-**	**35.63**	**20.62**	**14.96**	**23.24**	**0.71**	**0.37**	**6.19**	**50.06**	**151.79**
Net Block										
Balance as at June 30, 2024	**75.97**	**274.16**	**104.71**	**9.70**	**13.42**	**0.56**	**0.60**	**22.34**	**87.17**	**588.64**

Description of Assets	Land	Buildings	Plant & Machinery	Office Equipment	Computers	Electrical Installations	Solar Power Plant	Furniture and Fixture	Vehicles	Total
Gross Block										
Balance as at April 01, 2023	61.14	206.07	43.16	15.50	17.74	1.26	0.97	7.86	98.63	452.32
Additions	14.83	143.43	1.13	3.11	6.03	0.01	-	1.06	-	169.60
Disposals	-	-	-	-	-	-	-	-	-	-
Exchange Difference on Translation of foreign operations	-	-	(0.02)	(0.03)	-	-	-	-	-	(0.05)
Balance as at June 30, 2023	**75.97**	**349.50**	**44.27**	**18.57**	**23.76**	**1.27**	**0.97**	**8.92**	**98.63**	**621.86**
Depreciation / Impairment										
Balance as at April 01, 2023	-	21.62	7.16	8.38	10.91	0.48	0.25	2.36	19.97	71.13
Charge for the period	-	2.61	1.28	1.66	1.27	0.05	0.03	0.35	5.63	12.88
Disposals	-	-	-	-	-	-	-	-	-	-
Exchange Difference on Translation of foreign operations	-	-	(0.02)	(0.02)	-	-	-	-	-	(0.04)
Balance as at June 30, 2023	**-**	**24.24**	**8.42**	**10.01**	**12.18**	**0.53**	**0.28**	**2.71**	**25.60**	**83.97**
Net Block										
Balance as at June 30, 2023	**75.97**	**325.27**	**35.85**	**8.55**	**11.59**	**0.74**	**0.70**	**6.21**	**73.03**	**537.89**

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(Currency: Indian Rupees in Millions, unless otherwise stated)

Description of Assets	Land	Buildings	Plant & Machinery	Office Equipment	Computers	Electrical Installations	Solar Power Plant	Furniture and Fixture	Vehicles	Total
Gross Block										
Balance as at April 01, 2023	61.14	206.07	43.16	15.50	17.74	1.26	0.97	7.86	98.63	452.32
Addition on account of acquisition of subsidiary	-	-	34.60	2.03	1.99	-	-	1.55	1.67	41.83
Additions	14.83	143.79	48.75	6.32	17.17	0.01	-	19.09	24.99	274.96
Disposals	-	14.96	4.83	0.18	0.77	-	-	0.29	0.00	21.03
Exchange Difference on Translation of foreign operations	-	-	0.07	-	-	-	-	-	-	0.07
Balance as at March 31, 2024	**75.97**	**334.91**	**121.73**	**23.67**	**36.13**	**1.27**	**0.97**	**28.21**	**125.28**	**748.13**
Depreciation / Impairment										
Balance as at April 01, 2023	-	21.62	7.16	8.38	10.91	0.48	0.25	2.36	19.97	71.13
Addition on account of acquisition of subsidiary	-	-	0.29	0.57	1.81	-	-	0.26	0.40	3.33
Charge for the period	-	15.62	10.68	4.91	8.99	0.19	0.10	2.22	23.66	66.36
Disposals	-	1.86	1.16	0.11	0.59	-	-	0.11	-	3.83
Exchange Difference on Translation of foreign operations	-	-	0.01	0.05	-	-	-	-	-	0.05
Balance as at March 31, 2024	**-**	**35.38**	**16.97**	**13.80**	**21.11**	**0.67**	**0.35**	**4.73**	**44.03**	**137.04**
Net Block										
Balance as at March 31, 2024	**75.97**	**299.53**	**104.76**	**9.87**	**15.01**	**0.60**	**0.62**	**23.45**	**81.24**	**611.09**

Description of Assets	Land	Buildings	Plant & Machinery	Office Equipment	Computers	Electrical Installations	Solar Power Plant	Furniture and Fixture	Vehicles	Total
Gross Block										
Balance as at April 01, 2022	61.14	204.88	9.59	12.57	12.64	1.26	0.97	5.38	31.62	340.06
Additions	-	1.19	33.39	2.62	5.09	-	-	2.47	67.01	111.77
Disposals	-	-	-	-	-	-	-	-	-	-
Exchange Difference on Translation of foreign operations	-	-	0.18	0.30	-	-	-	-	-	0.49
Balance as at March 31, 2023	**61.14**	**206.07**	**43.16**	**15.50**	**17.74**	**1.26**	**0.97**	**7.86**	**98.63**	**452.32**
Depreciation / Impairment										
Balance as at April 01, 2022	-	11.06	1.62	4.46	4.95	0.23	0.14	1.24	7.76	31.46
Charge for the period	-	10.57	5.41	3.78	5.95	0.25	0.12	1.11	12.22	39.40
Disposals	-	-	-	-	-	-	-	-	-	-
Exchange Difference on Translation of foreign operations	-	-	0.13	0.14	-	-	-	-	-	0.27
Balance as at March 31, 2023	**-**	**21.62**	**7.16**	**8.38**	**10.91**	**0.48**	**0.25**	**2.36**	**19.97**	**71.13**
Net Block										
Balance as at March 31, 2023	**1,60,56,599.08**	**1,92,78,555.98**	**34,57,883.97**	**2,55,552.56**	**14,48,223.77**	**5,98,726.40**	**6,20,970.32**	**1,25,905.36**	**4,35,324.72**	**381.18**

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(Currency: Indian Rupees in Millions, unless otherwise stated)

Description of Assets	Land	Buildings	Plant & Machinery	Office Equipment	Computers	Electrical Installations	Solar Power Plant	Furniture and Fixture	Vehicles	Total
Gross Block										
Balance as at April 01, 2021	61.14	204.83	5.66	7.72	6.15	0.44	0.97	4.91	21.77	313.58
Additions	-	2.28	3.61	4.62	6.50	0.81	-	0.68	11.16	29.66
Disposals	-	2.22	-	-	-	-	-	0.21	1.31	3.74
Exchange Difference on Translation of foreign operations	-	-	0.32	0.23	-	-	-	-	-	0.56
Balance as at March 31, 2022	**61.14**	**204.88**	**9.59**	**12.57**	**12.64**	**1.26**	**0.97**	**5.38**	**31.62**	**340.06**
Depreciation / Impairment										
Balance as at April 01, 2021	-	-	-	-	-	-	-	-	-	-
Charge for the period	-	11.16	1.65	4.49	4.95	0.23	0.14	1.29	8.00	31.91
Disposals	-	0.11	-	-	-	-	-	0.04	0.24	0.39
Exchange Difference on Translation of foreign operations	-	-	(0.03)	(0.04)	-	-	-	-	-	(0.07)
Balance as at March 31, 2022	**-**	**11.06**	**1.62**	**4.46**	**4.95**	**0.23**	**0.14**	**1.24**	**7.76**	**31.46**
Net Block										
Balance as at March 31, 2022	**61.14**	**193.83**	**7.97**	**8.12**	**7.69**	**1.02**	**0.84**	**4.14**	**23.86**	**308.60**

Note:The Group has adopted IndAS 101 and has elected to continue with the carrying value for all of its Property, Plant & Equipment as recognised in its previous GAAP financial statements as deemed cost on the transition date i.e. April 01 2021.

(Currency: Indian Rupees in Millions, unless otherwise stated)

6 **Right-of-use asset**

Right-of-Use Assets related to leased properties that do not meet the definition of the investment property are presented as property, plant and equipment.

Particularss	Buildings	Total
Gross Block		
Balance as at April 01, 2024	**162.54**	**162.54**
Additions	-	-
Deletion	5.51	5.51
Balance as at June 30, 2024	**157.03**	**157.03**
Accumulated Depreciation		
Balance as at April 01, 2024	**34.08**	**34.08**
Charge for the period	8.31	8.31
Deletion	5.51	5.51
Balance as at June 30, 2024	**36.88**	**36.88**
Net Block		
Balance as at June 30, 2024	**120.15**	**120.15**

Particularss	Buildings	Total
Gross Block		
Balance as at April 01, 2023	**34.41**	**34.41**
Additions	2.05	2.05
Deletion	-	-
Balance as at June 30, 2023	**36.45**	**36.45**
Accumulated Depreciation		
Balance as at April 01, 2023	**10.28**	**10.28**
Charge for the period	2.98	2.98
Deletion	-	-
Balance as at June 30, 2023	**13.26**	**13.26**
Net Block		
Balance as at June 30, 2023	**23.19**	**23.19**

Particularss	Buildings	Total
Gross Block		
Balance as at April 01, 2023	**34.41**	**34.41**
Additions	128.13	**128.13**
Deletion	-	**-**
Balance as at March 31, 2024	**162.54**	**162.54**
Accumulated Depreciation		
Balance as at April 01, 2023	**10.28**	**10.28**
Charge for the period	23.80	**23.80**
Deletion	-	**-**
Balance as at March 31, 2024	**34.08**	**34.08**
Net Block		
Balance as at March 31, 2024	**128.46**	**128.46**

Particularss	Buildings	Total
Gross Block		
Balance as at April 01, 2022	**13.47**	**13.47**
Additions	20.94	**20.94**
Deletion	-	**-**
Balance as at March 31, 2023	**34.41**	**34.41**
Accumulated Depreciation		
Balance as at April 01, 2022	**2.22**	**2.22**
Charge for the period	8.05	**8.05**
Deletion	-	**-**
Balance as at March 31, 2023	**10.28**	**10.28**
Net Block		
Balance as at March 31, 2023	**24.13**	**24.13**

(Currency: Indian Rupees in Millions, unless otherwise stated)

Particularsss	Buildings	Total
Gross Block		
Balance as at April 01, 2021	**7.76**	**7.76**
Additions	5.71	**5.71**
Deletion	-	-
Balance as at March 31, 2022	**13.47**	**13.47**
Accumulated Depreciation		
Balance as at April 01, 2021	**-**	**-**
Charge for the period	2.22	**2.22**
Deletion	-	-
Balance as at March 31, 2022	**2.22**	**2.22**
Net Block		
Balance as at March 31, 2022	**11.25**	**11.25**

7 Capital Work-in-Progress

	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Opening Balance	67.33	-	-	-	-
Add: Expenditure during the period *	32.08	-	67.33	-	-
Less: Capitalisation/Adjustments during the period	-	-	-	-	-
Closing Balance	**99.41**	**-**	**67.33**	**-**	**-**

* The above figure of March 31, 2024 includes full-year amounts of the subsidiary acquired on October 05, 2023.

Ageing schedule of capital work-in-progress as at June 30, 2024

Particularss	Ageing as on June 30, 2024				
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Projects in Progress	99.41	-	-	-	99.41
Projects temporarily suspended	-	-	-	-	-
Total	99.41	-	-	-	99.41

There are no capital work-in-progress whose completion is overdue compared to its original plan.

Ageing schedule of capital work-in-progress as at June 30, 2023

Particularss	Ageing as on June 30, 2023				
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Projects in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

There are no capital work-in-progress whose completion is overdue compared to its original plan.

Ageing schedule of capital work-in-progress as at March 31, 2024

Particularss	Ageing as on March 31, 2024				
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Projects in Progress	67.33	-	-	-	67.33
Projects temporarily suspended	-	-	-	-	-
Total	67.33	-	-	-	67.33

There are no capital work-in-progress whose completion is overdue compared to its original plan.

Ageing schedule of capital work-in-progress as at March 31, 2023

Particularss	Ageing as on March 31, 2023				
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Projects in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

There are no capital work-in-progress whose completion is overdue compared to its original plan.

Ageing schedule of capital work-in-progress as at March 31, 2022

Particularss	Ageing as on March 31, 2022				
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Projects in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

There are no capital work-in-progress whose completion is overdue compared to its original plan.

(Currency: Indian Rupees in Millions, unless otherwise stated)

8 Investment Property

Particulars	Buildings	Total
Gross Block		
Balance as at April 01, 2024	**174.46**	**174.46**
Additions	-	-
Deletion	-	-
Balance as at June 30, 2024	**174.46**	**174.46**
Accumulated Depreciation		
Balance as at April 01, 2024	**29.66**	**29.66**
Charge for the period	1.76	1.76
Deletion	-	-
Balance as at June 30, 2024	**31.42**	**31.42**
Net Block		
Balance as at June 30, 2024	**143.04**	**143.04**

Particulars	Buildings	Total
Gross Block		
Balance as at April 01, 2023	**212.83**	**212.83**
Additions	-	-
Deletion	-	-
Balance as at June 30, 2023	**212.83**	**212.83**
Accumulated Depreciation		
Balance as at April 01, 2023	**27.92**	**27.92**
Charge for the period	2.24	2.24
Deletion	-	-
Balance as at June 30, 2023	**30.16**	**30.16**
Net Block		
Balance as at June 30, 2023	**182.67**	**182.67**

Particulars	Buildings	Total
Gross Block		
Balance as at April 01, 2023	**212.83**	**212.83**
Additions	-	-
Deletion	38.37	38.37
Balance as at March 31, 2024	**174.46**	**174.46**
Accumulated Depreciation		
Balance as at April 01, 2023	**27.92**	**27.92**
Charge for the period	8.74	8.74
Deletion	7.00	7.00
Balance as at March 31, 2024	**29.66**	**29.66**
Net Block		
Balance as at March 31, 2024	**144.80**	**144.80**

Particulars	Buildings	Total
Gross Block		
Balance as at April 01, 2022	266.62	266.62
Additions	-	-
Deletion	53.80	53.80
Balance as at March 31, 2023	**212.83**	**212.83**
Accumulated Depreciation		
Balance as at April 01, 2022	24.09	24.09
Charge for the period	11.10	11.10
Deletion	7.28	7.28
Balance as at March 31, 2023	**27.92**	**27.92**
Net Block		
Balance as at March 31, 2023	**184.91**	**184.91**

(Currency: Indian Rupees in Millions, unless otherwise stated)

Particulars	Buildings	Total
Gross Block		
Balance as at April 01, 2021	338.81	338.81
Additions	-	-
Deletion	72.19	72.19
Balance as at March 31, 2022	**266.62**	**266.62**
Accumulated Depreciation		
Balance as at April 01, 2021	15.60	15.60
Charge for the period	14.75	14.75
Deletion	6.26	6.26
Balance as at March 31, 2022	**24.09**	**24.09**
Net Block		
Balance as at March 31, 2022	**242.53**	**242.53**

Details with respect to fair valuation of Investment property

Aggregate amount of investment property at fair value *

As at June 30, 2024	201.05
As at June 30, 2023	249.04
As at March 31, 2024	201.05
As at March 31, 2023	249.04
As at March 31, 2022	303.72

* Fair valuation by independent registered valuer.

Independent valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 Note: Above valuation is based on government rates, market research, market trend and comparable values as considered appropriate.

9 Goodwill

Particulars	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
I. Gross Block					
Balance at beginning of the period	28.08	28.08	28.08	28.08	28.08
Additions	-	-	-	-	-
Impairment	-	-	-	-	-
Balance at the end of the period	**28.08**	**28.08**	**28.08**	**28.08**	**28.08**

The Goodwill is tested for impairment and accordingly no impairment charges were identified for the quarter ended June 30, 2024 and June 30, 2023 and year ended March 31, 2024; March 31, 2023 and March 31, 2022.

The Goodwill arises from the following Group’s Cash Generating Units (CGU):

Particulars	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
SFCU Gmbh	5.97	5.97	5.97	5.97	5.97
Chavare Engineering Private Limited	18.97	18.97	18.97	18.97	18.97
Vasudha Waste Treatment Private Limited	3.14	3.14	3.14	3.14	3.14
Total	**28.08**	**28.08**	**28.08**	**28.08**	**28.08**

(Currency: Indian Rupees in Millions, unless otherwise stated)

10 Intangible Assets

Description of Assets	Plant Assets	Software	Total
Gross Block			
Balance as at April 01, 2024	**292.30**	**4.23**	**296.53**
Additions	-	0.05	0.05
Disposals	-	-	-
Exchange Difference on Translation of foreign operations	-	(0.01)	(0.01)
Balance as at June 30, 2024	**292.30**	**4.27**	**296.57**
Depreciation / Impairment			
Balance as at April 01, 2024	**167.03**	**2.30**	**169.33**
Charge for the period	13.88	0.36	14.24
Disposals	-	-	-
Exchange Difference on Translation of foreign operations^	-	(0.00)	(0.00)
Balance as at June 30, 2024	**180.91**	**2.65**	**183.56**
Net Block			
Balance as at June 30, 2024	**111.39**	**1.62**	**113.01**

^ represents amount less than 0.01 Million

Description of Assets	Plant Assets	Software	Total
Gross Block			
Balance as at April 01, 2023	**-**	**2.35**	**2.35**
Additions	-	-	-
Disposals	-	-	-
Exchange Difference on Translation of foreign operations	-	(0.01)	(0.01)
Balance as at June 30, 2023	**-**	**2.34**	**2.34**
Depreciation / Impairment			
Balance as at April 01, 2023	**-**	**0.97**	**0.97**
Charge for the period	-	0.43	0.43
Disposals	-	-	-
Exchange Difference on Translation of foreign operations	-	(0.01)	(0.01)
Balance as at June 30, 2023	**-**	**1.40**	**1.40**
Net Block			
Balance as at June 30, 2023	**-**	**0.94**	**0.94**

Description of Assets	Plant Assets	Software	Total
Gross Block			
Balance as at April 01, 2023	**-**	**2.35**	**2.35**
Addition on account of acquisition of subsidiary*#	292.30	0.88	293.18
Additions	-	0.99	0.99
Disposals	-	-	-
Exchange Difference on Translation of foreign operations	-	0.01	0.01
Balance as at March 31, 2024	**292.30**	**4.23**	**296.53**
Depreciation / Impairment			
Balance as at April 01, 2023	**-**	**0.97**	**0.97**
Addition on account of acquisition of subsidiary*#	111.35	0.88	112.23
Charge for the period	55.68	0.44	56.12
Disposals	-	-	-
Exchange Difference on Translation of foreign operations	-	0.01	0.01
Balance as at March 31, 2024	**167.03**	**2.30**	**169.33**
Net Block			
Balance as at March 31, 2024	**125.27**	**1.93**	**127.20**

(Currency: Indian Rupees in Millions, unless otherwise stated)

Description of Assets	Plant Assets	Software	Total
Gross Block			
Balance as at April 01, 2022	**-**	**1.08**	**1.08**
Additions	-	1.21	1.21
Disposals	-	-	-
Exchange Difference on Translation of foreign operations	-	0.06	0.06
Balance as at March 31, 2023	**-**	**2.35**	**2.35**
Depreciation / Impairment			
Balance as at April 01, 2022	**-**	**0.43**	**0.43**
Charge for the period	-	0.52	0.52
Disposals	-	-	-
Exchange Difference on Translation of foreign operations	-	0.02	0.02
Balance as at March 31, 2023	**-**	**0.97**	**0.97**
Net Block			
Balance as at March 31, 2023	**-**	**1.38**	**1.38**

Description of Assets	Plant Assets	Software	Total
Gross Block			
Balance as at April 01, 2021	**-**	**0.85**	**0.85**
Additions	-	0.23	0.23
Disposals	-	-	-
Exchange Difference on Translation of foreign operations^	-	(0.00)	(0.00)
Balance as at March 31, 2022	**-**	**1.08**	**1.08**
Depreciation / Impairment			
Balance as at April 01, 2021	**-**	**-**	**-**
Charge for the period	-	0.43	0.43
Disposals	-	-	-
Exchange Difference on Translation of foreign operations^	-	(0.00)	(0.00)
Balance as at March 31, 2022	**-**	**0.43**	**0.43**
Net Block			
Balance as at March 31, 2022	**-**	**0.65**	**0.65**

^ represents amount less than 0.01 Million

* The above figures includes full-year amounts of the subsidiary acquired during the year.

The above intangible assets have been recorded on account of acquistion of subsidiary on October 05, 2023

Note:The Group has adopted IndAS 101 and has elected to continue with the carrying value for all of its Intangible Assets as recognised in its previous GAAP financial statements as deemed cost on the transition date i.e. April 01 2021.

(Currency: Indian Rupees in Millions, unless otherwise stated)

11 Non current Assets - Financial Assets - Investments	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Unquoted investment					
Investment stated at Cost					
Investment in Equity Instruments					
Associate companies	25.46	347.06	22.66	331.55	281.18
Investment in Abhinav Sahakari Bank Shares	0.61	0.61	0.61	0.61	0.61
Investment in equity instruments of joint venture #					
Investment in Endress + Hauser & Chavare Engineering (JV) Private Limited	0.30	0.31	0.30	0.39	0.39
Investment in Gharpure Engg & Const PL - Chavare Engg PL JV *	-	0.01	-	0.01	0.02
Investment stated at Fair Value through profit and loss					
Investment in Mutual Funds	-	-	-	190.23	186.00
Participating interest to interconnection Companies	-	-	-	-	-
Securities for Provision (Severance Payments)	25.12	25.12	25.12	25.12	25.12
Total	**51.49**	**373.11**	**48.69**	**547.90**	**493.32**

Details of Non-current Assets - Financial Assets - Investments	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Investments in fully paid equity instruments					
Associate companies					
(i) Hindustan Waste Treatment Private Limited- June 30, 2024 : 3,12,32,000 (March 31, 2024 : 3,12,32,000) *(classified as Subsidiary)* (June 30, 2023 : 1,91,29,600; March 31, 2023 : 1,91,29,600 and March 31, 2022 : 1,91,29,600) equity shares of Rs. 10 each fully paid-up	-	315.04	-	297.75	281.18
(ii) Turbomax India Private Limited- June 30, 2024 : 37,24,000 (June 30, 2023 : 37,24,000; March 31, 2024 : 37,24,000; March 31, 2023 : 37,24,000; March 31, 2022 : NIL) equity shares of Rs. 10 each fully paid-up	25.46	32.02	22.66	33.80	-
	25.46	**347.06**	**22.66**	**331.55**	**281.18**

Details of quoted / unquoted investments:	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Aggregate book value of Unquoted investments	51.49	373.11	48.69	547.90	493.32
Aggregate amount of impairment in value of Investment	-	-	-	-	-

These are joint ventures of our subsidiary (Chavare Engineering Private Limited).
* The joint venture ceases to exist w.e.f. August 08, 2023.

12 Non - Current Assets - Financial Assets - Loans	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(considered good, unless otherwise stated)					
Unsecured Loans:					
- To Others	80.00	-	80.00	61.61	2.68
	80.00	**-**	**80.00**	**61.61**	**2.68**

(Currency: Indian Rupees in Millions, unless otherwise stated)

13 Non - Current Assets - Financial Assets - Trade Receivables

	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Secured, considered good	-	-	-	-	-
Unsecured, considered good	200.68	192.47	199.20	184.13	117.26
	200.68	192.47	199.20	184.13	117.26
Less: Allowance for expected credit loss	-	-	-	-	-
Net trade receivables	**200.68**	**192.47**	**199.20**	**184.13**	**117.26**

Refer note 52 for information about receivables from related party.

Ageing schedule of trade receivables as at June 30, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	199.02	1.66	-	-	-	-	-	200.68
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	-	-	-
Total	**199.02**	**1.66**	**-**	**-**	**-**	**-**	**-**	**200.68**

Ageing schedule of trade receivables as at June 30, 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	186.83	5.64	-	-	-	-	-	192.47
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	-	-	-
Total	**186.83**	**5.64**	**-**	**-**	**-**	**-**	**-**	**192.47**

SFC Environmental Technologies Limited
(Formerly known as SFC Environmental Technologies Private Limited)
Annexure VII
Notes to Restated Consolidated Financial Information
CIN: U37003MH2005PLC152235
(Currency: Indian Rupees in Millions, unless otherwise stated)

Ageing schedule of trade receivables as at March 31, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	196.39	1.89	0.92	-	-	-	-	199.20
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	-	-	-
Total	**196.39**	**1.89**	**0.92**	**-**	**-**	**-**	**-**	**199.20**

Ageing schedule of trade receivables as at March 31, 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	178.45	5.69	-	-	-	-	-	184.13
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	-	-	-
Total	**178.45**	**5.69**	**-**	**-**	**-**	**-**	**-**	**184.13**

Ageing schedule of trade receivables as at March 31, 2022

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	106.55	10.70	-	-	-	-	-	117.26
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	-	-	-
Total	**106.55**	**10.70**	**-**	**-**	**-**	**-**	**-**	**117.26**

Refer note 56 about information on credit risk and market risk of trade receivables.

(Currency: Indian Rupees in Millions, unless otherwise stated)

14 Non - Current Assets - Financial assets - Others	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Financial assets at amortised cost					
Bank Deposits with more than twelve months maturity	102.80	477.78	129.01	254.29	239.12
Security deposits	56.70	12.39	30.59	9.70	7.82
	159.51	**490.17**	**159.60**	**263.99**	**246.95**

*Refer Note 21 for information about lien on fixed deposits.

15 Non - Current Asset - Income tax assets (Net)	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Advance income taxes (Net off provisions)*	65.40	28.39	30.97	20.07	7.76
	65.40	**28.39**	**30.97**	**20.07**	**7.76**

*Net of provisions as on June 30, 2024 - Rs. 855.60 Million (June 30, 2023 - Rs. 356.00 Million; March 31, 2024 - Rs. 829.9 Million; March 31, 2023 - Rs. 316.56 Million and March 31, 2022 - Rs. 503.83 Million)

16 Non - current assets - Others	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Capital advances	53.95	0.08	53.95	-	-
MVAT refund receivable	2.45	2.45	2.45	2.45	2.45
Prepaid expenses	18.28	1.89	6.09	1.94	0.67
Others	0.81	-	0.81	-	-
	75.47	**4.41**	**63.29**	**4.38**	**3.12**

17 Current Assets - Inventories	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
(Valued at lower of cost and net realizable value)					
Raw materials	354.84	158.00	295.17	133.39	55.63
Work in Progress	223.11	176.98	264.93	198.03	154.66
Stock-in-trade	451.10	486.72	509.44	406.67	247.70
Finished Goods	68.66	15.68	14.53	-	-
	1,097.72	**837.37**	**1,084.08**	**738.08**	**458.00**

18 Current Assets - Financial Assets - Loans	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
(Unsecured, considered good, unless otherwise stated)					
Loan to Employees	1.38	1.69	1.92	20.14	5.83
Loan to Others	300.06	61.61	200.06	-	-
To related parties					
Hindustan Waste Treatment Private Limited *(classified as subsidiary as on June 30, 2024 and March 31, 2024)*	-	-	-	-	80.00
	301.44	**63.30**	**201.98**	**20.14**	**85.83**

(Currency: Indian Rupees in Millions, unless otherwise stated)

19 Current Assets - Financial Assets - Trade receivables	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Secured, considered good	-	-	-	-	-
Unsecured, considered good	2,517.75	1,671.38	3,840.09	2,290.43	1,773.80
	2,517.75	1,671.38	3,840.09	2,290.43	1,773.80
Less: Allowance for expected credit loss	(94.12)	(92.53)	(94.17)	(92.19)	(87.95)
Net trade receivables	**2,423.63**	**1,578.85**	**3,745.93**	**2,198.25**	**1,685.85**

Refer note 52 for information about receivables from related party.

Ageing schedule of trade receivables as at June 30, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	13.43	-	1,566.08	249.11	228.70	337.14	123.30	2,517.75
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	(0.46)	(1.35)	(1.31)	(90.99)	(94.12)
Total	**13.43**	**-**	**1,566.08**	**248.64**	**227.34**	**335.82**	**32.30**	**2,423.63**

Ageing schedule of trade receivables as at June 30, 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	46.40	-	952.96	114.16	408.50	27.45	121.90	1,671.38
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	(1.86)	(0.07)	(0.44)	(0.33)	(89.83)	(92.53)
Total	**46.40**	**-**	**951.10**	**114.10**	**408.06**	**27.12**	**32.07**	**1,578.85**

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

Annexure VII

Notes to Restated Consolidated Financial Information

CIN: U37003MH2005PLC152235

(Currency: Indian Rupees in Millions, unless otherwise stated)

Ageing schedule of trade receivables as at March 31, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	1,520.40	1,427.83	53.95	430.72	287.23	9.23	3,729.37
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	37.71	37.71
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	73.01	73.01
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	1.79	(0.11)	(3.18)	(2.12)	(90.54)	(94.17)
Total	**-**	**1,520.40**	**1,429.62**	**53.84**	**427.54**	**285.11**	**29.41**	**3,745.93**

Ageing schedule of trade receivables as at March 31, 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	1,642.72	164.80	341.97	21.14	9.07	2,179.71
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	37.71	37.71
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	73.01	73.01
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	(1.86)	(0.07)	(0.45)	(0.36)	(89.44)	(92.19)
Total	**-**	**-**	**1,640.87**	**164.73**	**341.51**	**20.79**	**30.35**	**2,198.25**

Ageing schedule of trade receivables as at March 31, 2022

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	1,192.26	416.19	24.80	17.86	9.98	1,661.08
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	63.19	63.19
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	49.52	49.52
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	(1.25)	(0.06)	(0.16)	(0.16)	(86.32)	(87.95)
Total	**-**	**-**	**1,191.01**	**416.13**	**24.64**	**17.70**	**36.37**	**1,685.85**

Refer note 56 about information on credit risk and market risk of trade receivables.

(Currency: Indian Rupees in Millions, unless otherwise stated)

20 Current Assets - Financial Assets - Cash & cash equivalents	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Cash in Hand:					
- Cash on hand	0.36	0.14	0.43	0.46	0.51
- Foreign Cash in Hand	2.13	0.86	1.14	0.85	0.15
Balances with banks:					
-On current account	102.43	83.55	55.91	221.51	262.06
-Deposit with original maturity of less than three months	50.65	8.38	19.84	3.66	1.46
	155.56	**92.93**	**77.32**	**226.48**	**264.17**

21 Current Assets - Financial Assets - Other bank balances	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Deposits with banks*	1,623.60	1,290.44	1,808.61	1,020.70	915.58
Ear marked bank balances - Gratuity	0.10	-	0.10	-	-
Ear Marked Bank Balances - Dividend	0.35	0.05	0.02	0.05	0.04
	1,624.06	**1,290.49**	**1,808.74**	**1,020.75**	**915.62**

*Note: Fixed deposit is in lien for various credit facilities (bank overdraft, letter of credit, bank guarantee) from various Banks amounting to Rs. 1587.75 Million as on June 30, 2024 (June 30, 2023 - Rs. 1705.58 Million; March 31, 2024 - Rs. 1652.99 Million; March 31, 2023 - Rs. 147.47 Million and March 31, 2022 - Rs. 191.23 Million)

22 Current Assets - Financial Assets - Others	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(considered good, unless otherwise stated)					
Earnest Money Deposits	37.38	24.98	37.38	8.61	39.99
Other Deposits	-	-	0.47	-	-
Security Deposit	100.02	0.04	89.75	-	-
Interest on Loans given	13.31	-	13.31	-	-
Advance to Others	0.51	-	0.54	-	-
	151.22	**25.01**	**141.46**	**8.61**	**39.99**

23 Other current assets	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Balance with Government authorities	65.79	61.97	67.44	360.77	56.11
Advances to employee	21.38	4.17	25.91	1.27	0.14
Advance to suppliers	95.70	49.32	69.15	41.80	173.06
Prepaid expenses	21.99	8.68	31.99	11.17	7.29
Export Incentives Receivable	0.03	0.36	0.03	0.36	-
Duty Drawback Receivable	-	-	-	-	1.91
Interest accrued but not due	9.96	1.53	-	-	-
Other Income Receivable	0.05	0.05	-	-	-
Other Receivables	19.47	10.00	10.03	-	-
Other Assets - Corporate Guarantee	16.49	-	17.87	0.32	0.29
	250.86	**136.08**	**222.42**	**415.70**	**238.80**

(Currency: Indian Rupees in Millions, unless otherwise stated)

24 Share capital

	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Authorized					
1,74,00,000 (June 30, 2023: 1,74,00,000; March 31, 2024: 1,74,00,000; March 31, 2023: 1,74,00,000; March 31, 2022: 1,74,00,000) equity shares of Rs. 10 each	214.00	214.00	174.00	174.00	174.00
	214.00	**214.00**	**174.00**	**174.00**	**174.00**
Issued, subscribed and paid up					
62,27,418 (June 30, 2023: 62,27,418; March 31, 2024: 62,27,418; March 31, 2023: 62,27,418; March 31, 2022: 62,27,418) equity shares of Rs.10 each fully paid up	62.27	62.27	62.27	62.27	62.27
	62.27	**62.27**	**62.27**	**62.27**	**62.27**

*Subsequent to the year ended June 30, 2024, the authorized share capital was increased from 1,74,00,000 equity shares of Rs. 10 each amounting to Rs. 174 million to 12,50,00,000 equity shares of Rs. 2 each amounting to Rs. 250 million which was duly approved by the board in meeting dated August 14, 2024 and by the shareholders of the Company by means of an ordinary resolution dated September 05, 2024.

**Post increase of the existing authorised share capital of the company, the Board of Directors at its meeting held on September 05, 2024 had approved the bonus issue of 2 new equity share for every one share held on record date which was approved by the shareholders by means of a special resolution dated September 05, 2024. Through a Board resolution dated September 05, 2024, the Company has allotted 6,22,74,180 equity shares of Rs.2/- each as bonus shares to the existing equity shareholders of the Company.

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the period:

Particulars	As at June 30, 2024 Number of shares	As at June 30, 2024 Amount	As at June 30, 2023 Number of shares	As at June 30, 2023 Amount
Outstanding at the beginning of the period	62,27,418	62.27	62,27,418	62.27
Add: Issuance and allotment of shares	-	-	-	-
Less: cancellation of shares	-	-	-	-
Outstanding at the end of the period	**62,27,418**	**62.27**	**62,27,418**	**62.27**

Particulars	As at March 31, 2024 Number of shares	As at March 31, 2024 Amount	As at March 31, 2023 Number of shares	As at March 31, 2023 Amount	As at March 31, 2022 Number of shares	As at March 31, 2022 Amount
Outstanding at the beginning of the period	62,27,418	62.27	62,27,418	62.27	62,27,418	62.27
Add: Issuance and allotment of shares	-	-	-	-	-	-
Less: cancellation of shares						
Outstanding at the end of the period	**62,27,418**	**62.27**	**62,27,418**	**62.27**	**62,27,418**	**62.27**

(b) Particulars of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at June 30, 2024 Number of shares	As at June 30, 2024 % of holding in the class	As at June 30, 2023 Number of shares	As at June 30, 2023 % of holding in the class
Sandeep Sudhakar Asolkar***	21,05,698	33.81%	21,05,698	33.81%
Saketchandrasingh Pratapsingh Dhandoriya	5,62,275	9.03%	5,62,275	9.03%
Jaya Chandrakant Gogri***	3,83,290	6.15%	2,21,120	3.55%
Sarvesh Kumar Garg	3,68,481	5.92%	3,74,801	6.02%
Aparna Kapoor	-	0.00%	5,74,778	9.23%
Rajesh Kesavan Nambisan	3,06,181	4.92%	3,74,801	6.02%
Sandeep Sambhaji Parab	3,06,181	4.92%	3,74,801	6.02%
Kumaraguru Madurakavi	3,06,181	4.92%	3,74,801	6.02%
Asolkar Tradecraft Private Limited	3,31,888	5.33%	-	0.00%
	46,70,175	**74.99%**	**49,63,075**	**79.70%**

(Currency: Indian Rupees in Millions, unless otherwise stated)

	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
Name of the shareholder	**Number of shares**	**% of holding in the class**	**Number of shares**	**% of holding in the class**	**Number of shares**	**% of holding in the class**
Sandeep Sudhakar Asolkar***	21,05,698	33.81%	21,05,698	33.81%	21,05,698	33.81%
Saketchandrasingh Pratapsingh Dhandoriya	5,62,275	9.03%	5,62,275	9.03%	5,62,275	9.03%
Jaya Chandrakant Gogri***	3,75,790	6.03%	2,21,120	3.55%	-	0.00%
Sarvesh Kumar Garg	3,68,481	5.92%	3,74,801	6.02%	3,74,801	6.02%
Aparna Kapoor	3,53,638	5.68%	5,74,778	9.23%	5,74,778	9.23%
Rajesh Kesavan Nambisan	3,06,181	4.92%	3,74,801	6.02%	3,74,801	6.02%
Sandeep Sambhaji Parab	3,06,181	4.92%	3,74,801	6.02%	3,74,801	6.02%
Kumaraguru Madurakavi	3,06,181	4.92%	3,74,801	6.02%	3,74,801	6.02%
Asolkar Tradecraft Private Limited	-	0.00%	-	0.00%	-	0.00%
	46,84,425	**75.22%**	**49,63,075**	**79.70%**	**47,41,955**	**76.15%**

**** including joint holding (as first named shareholder)*

(c) Shares held by promoters in the Company

	As at June 30, 2024		% Change (April 01, 2024 and June 30, 2024)
Name of the Promoter	**Number of shares**	**% of holding in the class**	
Sandeep Sudhakar Asolkar ~	21,05,698	33.81%	-
Saketchandrasingh Pratapsingh Dhandoriya ~~	5,62,275	9.03%	-
	26,67,973	**42.84%**	**0.00%**

	As at June 30, 2023		% Change (April 01, 2023 and June 30, 2023)	As at March 31, 2024		% Change (April 01, 2023 and March 31, 2024)
Name of the Promoter	**Number of shares**	**% of holding in the class**		**Number of shares**	**% of holding in the class**	
Sandeep Sudhakar Asolkar ~	21,05,698	33.81%	-	21,05,698	33.81%	-
Saketchandrasingh Pratapsingh Dhandoriya ~~	5,62,275	9.03%	-	5,62,275	9.03%	-
	26,67,973	**42.84%**	**0.00%**	**26,67,973**	**42.84%**	**0.00%**

	As at March 31, 2023		% Change during the year	As at March 31, 2022		% Change during the year
Name of the Promoter#	**Number of shares**	**% of holding in the class**		**Number of shares**	**% of holding in the class**	
Sandeep Sudhakar Asolkar ~	21,05,698	33.81%	-	21,05,698	33.81%	-
Saketchandrasingh Pratapsingh Dhandoriya ~~	5,62,275	9.03%	-	-	-	-
	26,67,973	**42.84%**	**0.00%**	**21,05,698**	**33.81%**	**0.00%**

~ It includes 12,05,698 (19.36%) Equity shares held by Sandeep Sudhakar Asolkar jointly with Priya Sandeep Asolkar.

~~ Not classified as promoter hence shareholding not reported as on March 31, 2022. However, he holds the shares as on March 31, 2022. Thus, the percentage change during the year March 31, 2023 is 0.00%.

Pursuant to a Board Resolution dated October 27, 2023, the Company has identified Sandeep Sudhakar Asolkar, Priya Sandeep Asolkar and Saketchandrasingh Pratapsingh Dhandoriya as the Promoters of the Company in the annual returns from Fiscal 2023. In Fiscal 2022, Sandeep Sudhakar Asolkar (holding 33.81% shareholding including 19.36% held jointly with Priya Sandeep Asolkar) and Aparna Kapoor (holding 9.23% shareholding) were classified as promoters.

(d) Terms/rights attached to Equity Shares

The Company has only one class of Equity Shares having Face Value of Rs 2/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However no such preferential amount exists as at June 30, 2024. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

(e) Pursuant to the Clause 14 of the Composite Scheme of Amalgamation and arrangement filed by our Company under section 230-232 and other applicable provisions of the Companies Act, 2013, of Enviropro Water Tech Private Limited and Intergeo Solid Waste Management Private Limited with the Company approved by the National Company Law Tribunal vide its order dated December 21, 2022, following shall be deemed to have occurred on the Appointed Date (i.e. as on 1 April 2021):

- issuance and allotment of New Shares to the shareholders of the First Transferor Company (i.e. Enviropro Water Tech Private Limited) as on the Record Date.
- reduction of share capital of the Company to the extent of face value of the shares held by the First Transferror Company.

(f) During the quarter ended June 30, 2024, the Company has not issued any shares to any of its director or other person. The Company has not allotted any equity shares as bonus shares during the period of five years immediately preceding June 30, 2024. Further the Company has not bought back any equity shares during the aforesaid period.

(g) The Company does not have any securities outstanding as at June 30, 2024; June 30, 2023; March 31, 2024; March 31, 2023 and March 31, 2022 which are convertible into equity/preference shares.

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

Annexure VII

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(Currency: Indian Rupees in Millions, unless otherwise stated)

25 Other Equity	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
25A Movement in reserves and surplus					
Securities Premium	3.97	3.97	3.97	3.97	3.97
Retained earnings	5,036.03	3,826.17	5,110.13	3,787.64	3,117.91
General Reserves	70.18	70.30	70.18	70.30	70.54
Capital Reserves	21.40	21.37	21.40	21.37	21.37
Standard Reserve u/s 45IC of the RBI Act	0.03	0.03	0.03	0.03	-
Gain on Bargain Purchase	58.41	-	58.41	-	-
Exchange differences on translation of foreign operations	25.11	25.40	24.98	15.07	13.23
Other comprehensive income (Acturial Gain/ Loss)	(9.70)	(9.87)	(8.42)	(6.50)	(1.05)
Total Reserve and Surplus	**5,205.43**	**3,937.38**	**5,280.68**	**3,891.89**	**3,225.97**

(A) Securities premium (SP)	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Opening balance	3.97	3.97	3.97	3.97	3.97
Add/(Less): Changes during the period	-	-	-	-	-
Closing balance	**3.97**	**3.97**	**3.97**	**3.97**	**3.97**

* Nature and purpose of reserves

Securities premium includes the difference between the face value of the equity shares and the consideration received in respect of shares issued. Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

(B) General reserve	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Opening balance	70.18	70.30	70.30	70.54	70.81
Add/(Less) : Transfer to Retained Earnings	-	-	(0.12)	(0.24)	(0.27)
Closing balance	**70.18**	**70.30**	**70.18**	**70.30**	**70.54**

* Nature and purpose of reserves

The Group created a General Reserve in earlier years pursuant to the provisions of the Companies Act, where in certain percentage of profits were required to be transferred to General Reserve before declaring dividends. General Reserve is a free reserve available to the Group.

(C) Capital Reserve	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Opening balance	21.40	21.37	21.37	21.37	21.37
Add: Addition during the period	-	-	0.03	-	-
Closing balance	**21.40**	**21.37**	**21.40**	**21.37**	**21.37**
			-		

* Nature and purpose of reserves

Capital Reserves are mainly the reserves created during business combination for the gain on bargain purchase and common control mergers. It is not available for distribution as dividend.

(D) Retained earnings	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Opening balance	5,110.13	3,787.64	3,787.64	3,117.91	2,279.14
Add: Aquistion/ purchase of additional stake in subsidiary	(3.95)	-	171.70	-	-
Less: effect of merger			-	-	-
Add: Profit for the period	54.40	38.36	1,416.07	938.81	838.49
Add: Transfer from General reserves	-	-	0.12	0.24	0.27
Less: Ind AS impact w.r.t cummulative profits of associate (on acquisition as subsidiary)	-	-	(172.16)	-	-
Less: Transfer to Standard Reverse u/s 45IC of RBI Act	-	-	-	(0.03)	-
Less: Dividend Paid	(124.55)	-	(93.41)	(269.46)	-
Add: Other Changes	-	0.17	0.17	0.18	-
Closing balance	**5,036.03**	**3,826.17**	**5,110.13**	**3,787.64**	**3,117.91**

* Nature and purpose of reserves

Retained earnings are the profit that the Group has earned till date.

(Currency: Indian Rupees in Millions, unless otherwise stated)

(E) Gain on Bargain Purchase	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Opening balance	58.41	-	-	-	-
Add: Addition during the period	-	-	58.41	-	-
Closing balance	**58.41**	**-**	**58.41**	**-**	**-**

* Nature and purpose of reserves
Gain on Bargain purchase on acquisition of subsidiary (earlier associate)

(F) Standard Reserve u/s 45IC of the RBI Act	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Opening balance	0.03	0.03	0.03	-	-
Add: Transfer from Retained Earnings	-	-	-	0.03	-
Closing Balance	**0.03**	**0.03**	**0.03**	**0.03**	**-**

* Nature and purpose of reserves
Reserve fund is created as per the terms of section 45 IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

25B Exchange differences on translation of foreign operations	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Opening Balance	24.98	15.07	15.07	13.23	13.22
Add: Current period	(0.04)	10.84	9.96	2.11	0.00
Less: Share of Non- Controlling Interest	0.17	(0.52)	(0.05)	(0.27)	0.01
Closing Balance	**25.11**	**25.40**	**24.98**	**15.07**	**13.23**

Exchange differences on translation of foreign operations: This comprise of all exchange differences arising from translation of financial statements of foreign operations as well as from the translation of liabilities that hedge the Group's net investment in a foreign subsidiary.

25C Movement in Other Comprehensive Income (Acturial Gain/ Loss)	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Opening balance	(8.42)	(6.50)	(6.50)	(1.05)	-
Add: On acquisition of subsidiary	-	-	0.57	-	-
Add: Re-measurement loss on defined benefit liabilities	(1.23)	(3.36)	(3.78)	(5.43)	(1.13)
Less: Share of Non- Controlling Interest	(0.04)	(0.01)	1.29	(0.03)	0.08
Closing balance	**(9.70)**	**(9.87)**	**(8.42)**	**(6.50)**	**(1.05)**
Total other equity	**5,147.02**	**3,937.38**	**5,222.27**	**3,891.89**	**3,225.97**

26 Non - Current Liabilities - Financial Liabilities - Borrowings	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Secured Borrowings*	563.43	-	457.15	-	-
Loan for purchase of property, plant and equipments	-	-	-	-	0.64
Loan from Directors #	3.90	3.90	3.90	3.90	5.90
	567.33	**3.90**	**461.05**	**3.90**	**6.54**

* Refer note 57
\# Loan by subsidiaries from its directors at the interest rate of 10% p.a.

(Currency: Indian Rupees in Millions, unless otherwise stated)

27 Non - Current Liabilities - Financial Liabilities - Leases	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Long term maturities of lease obligations (refer note 58)	97.36	15.17	104.82	13.71	7.92
	97.36	**15.17**	**104.82**	**13.71**	**7.92**

28 Non - Current Liabilities - Provisions	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Provision for employee benefits :					
Net defined benefit liability- Gratuity (refer note 51)	4.19	16.71	4.02	14.07	4.60
Net defined benefit liability - Leave Encashment (refer note 51)	0.13	-	-	-	-
Provision for severance payments	12.65	10.88	12.24	10.29	8.41
Other provision	45.21	46.46	46.21	46.50	77.91
	62.18	**74.05**	**62.46**	**70.86**	**90.92**

29 Current Liabilities - Financial Liabilities - Borrowings	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Bank Overdraft*	184.99	807.46	750.07	460.18	373.26
Current maturities of long-term borrowings (Refer Note 26)	100.78	18.97	79.44	-	-
Loan from related parties #	16.12	15.00	16.12	-	-
	301.89	841.43	845.62	460.18	373.26

*Note: Overdraft facility has been received from various banks, for the purpose of working capital with interest rate ranging from 5.90% to 8.00% p.a., which is repayable on demand. The said overdrafts are against primary security of lien of fixed or time Deposits, primary hypothecation of current assets, guest houses, movable fixed assets, investment properties, collateral of office premises.
Loan by subsidiaries from its directors and relative of directors

30 Current Liabilities - Financial Liabilities - Leases	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Lease obligations (refer note 58)	28.84	9.96	28.02	11.68	3.93
	28.84	**9.96**	**28.02**	**11.68**	**3.93**

(Currency: Indian Rupees in Millions, unless otherwise stated)

31 Current Liabilities - Financial Liabilities - Trade Payables	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro and small enterprises	123.95	143.46	217.40	164.02	127.76
Total outstanding dues of creditors other than micro and small enterprises	570.44	418.61	889.74	913.70	677.18
	694.40	**562.07**	**1,107.14**	**1,077.71**	**804.94**

Refer note 52 for information about payables from related party.

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period end	123.95	143.46	217.29	164.02	127.76
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at period	6.71	0.29	0.04	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the period	34.41	1.47	1.88	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-	-	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-	-	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act	-	-	0.04	-	-
Interest accrued and remaining unpaid at the end of accounting period	-	-	-	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act ^	-	-	0.00	-	-

^ represents amount less than 0.01 Million

(Currency: Indian Rupees in Millions, unless otherwise stated)

Ageing schedule for trade payables outstanding as at June 30, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed:							
(i) MSME	-	-	123.88	0.08	-	-	123.95
(ii) Others	-	-	568.22	0.72	1.46	0.04	570.44
Disputed:							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**-**	**-**	**692.10**	**0.80**	**1.46**	**0.04**	**694.40**

Ageing schedule for trade payables outstanding as at June 30, 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed:							
(i) MSME	-	-	143.46	-	-	-	143.46
(ii) Others	-	-	416.07	0.45	-	2.09	418.61
Disputed:							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**-**	**-**	**559.53**	**0.45**	**-**	**2.09**	**562.07**

Ageing schedule for trade payables outstanding as at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed:							
(i) MSME	-	0.11	217.29	-	-	-	217.40
(ii) Others	-	3.06	866.64	3.53	0.37	16.14	889.74
Disputed:							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**-**	**3.17**	**1,083.93**	**3.53**	**0.37**	**16.14**	**1,107.14**

(Currency: Indian Rupees in Millions, unless otherwise stated)

Ageing schedule for trade payables outstanding as at March 31, 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than1 year	1-2years	2-3years	More than 3 years	
Undisputed:							
(i) MSME	-	-	162.00	-	-	2.02	164.02
(ii) Others	-	-	912.35	1.27	-	0.07	913.70
Disputed:							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**-**	**-**	**1,074.35**	**1.27**	**-**	**2.09**	**1,077.71**

Ageing schedule for trade payables outstanding as at March 31, 2022

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed:							
(i) MSME	-	-	125.76	-	0.20	1.81	127.76
(ii) Others	-	-	676.51	0.31	0.02	0.34	677.18
Disputed:							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**-**	**-**	**802.27**	**0.31**	**0.22**	**2.15**	**804.94**

(Currency: Indian Rupees in Millions, unless otherwise stated)

32 Current Liabilities - Financial Liabilities - Others	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Interest payable on loan from unsecured loan	-	-	0.03	0.03	0.23
Interest payable on bank overdraft	-	-	0.16	0.11	0.04
Creditors for capital goods	0.27	-	62.21	0.20	0.08
Creditors for expenses	40.16	30.71	106.72	54.63	38.98
Security Deposit	3.28	3.20	3.28	-	-
Remuneration payable to directors *	5.24	3.84	3.43	2.96	6.55
Employee benefits payable	33.93	5.26	53.83	25.04	5.50
Payable to others	0.24	0.20	0.52	1.33	1.06
	83.11	**43.21**	**230.16**	**84.31**	**52.43**

* Remuneration payable by Subsidiary Company to its Directors

33 Current liabilities - Others	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Statutory dues Payable					
GST	18.61	3.77	142.65	392.34	36.36
TDS	23.55	13.33	25.85	20.06	38.89
TCS^	0.05	6.18	0.03	0.00	0.00
ESIC	0.66	0.23	0.89	0.19	0.14
GLWF^	0.01	0.00	0.01	0.00	-
MLWF^	0.00	0.00	-	-	-
Provident fund payable	2.00	0.90	2.18	1.02	0.74
Profession tax payable	0.06	0.05	0.04	0.05	0.02
Social Security	2.21	1.87	1.84	1.91	1.71
Contract Liabilities	50.40	163.97	103.62	98.50	127.41
Interest accrued but not due	0.40	0.11	-	-	-
Book Overdraft	2.20	-	-	-	-
Other Payable	45.35	2.74	113.51	1.30	192.39
Accrued Expenses & provisions	99.63	28.61	31.60	18.17	13.71
	245.14	**221.77**	**422.21**	**533.55**	**411.37**

^ represents amount less than 0.01 Million

34 Current Liabilities - Provisions	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits :					
Provision for Gratuity (refer note 51)	1.44	3.48	1.00	0.81	0.66
Provision for Leave Encashment (refer note 51)^	0.00	-	-	-	-
	1.44	**3.48**	**1.00**	**0.81**	**0.66**

^ represents amount less than 0.01 Million

35 Current tax liabilities	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provision for tax*	105.32	9.69	101.00	2.24	(4.21)
	105.32	**9.69**	**101.00**	**2.24**	**(4.21)**

* Refer note 15

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

Annexure VII

Notes to Restated Consolidated Financial Information

CIN: U37003MH2005PLC152235

(Currency: Indian Rupees in Millions, unless otherwise stated)

36	Revenue from operations	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
	Revenue from contracts with customer					
	- Sale of Goods	554.94	571.11	5,578.05	3,374.67	2,321.25
	- Sale of Services	345.62	110.98	873.85	1,802.02	2,637.99
	Total(A)	**900.56**	**682.09**	**6,451.90**	**5,176.69**	**4,959.23**
	Other operating revenues					
	- Export Benefits Earned	-	-	-	3.77	4.82
	- Interest on Annuity	21.11	22.19	87.18	-	-
	- Scrap Sales recyclables, compost	9.66	-	24.39	1.86	-
	- Corporate Guarantee Consideration	-	-	-	1.60	3.20
	- Income from Testing Services	-	-	-	-	-
	- Supply of Electricity	7.94	-	12.97	-	-
	- Other Operating Income	1.65	1.11	7.49	12.95	0.09
	Total (B)	**40.35**	**23.30**	**132.02**	**20.18**	**8.11**
	Total revenue from operations (A+B)	**940.91**	**705.39**	**6,583.92**	**5,196.86**	**4,967.34**

37	Other income	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
	Interest income under the effective interest method on					
	-Term deposits	13.31	4.07	109.65	60.73	23.87
	-Loans given	9.87	1.54	3.19	4.80	41.28
	-Security deposits	0.23	0.09	0.64	0.22	0.03
	-Others	0.06	-	6.52	-	0.62
	Interest income on LC Issuance	-	0.07	0.65	-	0.16
	Interest income from Customers	2.17	0.93	5.07	-	-
	Interest on Income Tax Refund	-	-	0.66	0.87	0.11
	Net gain on fair valuation of Investment in Mututal Funds	-	11.72	11.72	4.22	(4.50)
	Net gain on fair valuation of Investment	-	-	-	-	-
	Net gain on foreign currency transactions^	0.53	0.00	7.27	9.23	13.64
	Net gain on sale of Property, Plant & Equipment	36.20	-	16.42	1.11	10.64
	Net Gain on Sale of Investment Property	-	-	16.63	19.91	30.54
	Insurance claim	5.20	-	1.38	0.88	1.06
	Rent income	2.90	0.13	8.97	0.59	-
	Miscellaneous income	1.77	2.34	1.94	11.21	25.31
	Total other income	**72.24**	**20.88**	**190.71**	**113.78**	**142.76**

^ represents amount less than 0.01 Million

38	Impairment gain on financial assets	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
	Impairment gain on trade receivables arising from contracts with customer	0.29	-	1.79	-	28.87
	Total Impairment Gain	**0.29**	**-**	**1.79**	**-**	**28.87**

39	Purchases of Stock-in-trade	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
	Purchase of Goods and Services - Domestic	40.80	76.61	459.81	2,380.25	1,452.50
	Purchase of Goods and Services - Imports	66.34	164.30	1,603.02	136.90	1,132.77
	Total Purchases	**107.14**	**240.91**	**2,062.82**	**2,517.15**	**2,585.27**

40	Cost of Material Consumed	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
	Cost of material consumed:					
	- Opening stock of Raw materials	338.95	175.66	133.39	55.63	74.35
	- Add: Purchases	358.70	251.93	1,381.25	760.61	535.66
	- Less: Closing stock of Raw materials	(396.02)	(194.67)	(292.73)	(133.39)	(55.63)
	Total Cost of Material Consumed	**301.63**	**232.92**	**1,221.90**	**682.85**	**554.37**

(Currency: Indian Rupees in Millions, unless otherwise stated)

41 Project Cost	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
Contract Cost	28.79	50.01	261.66	15.45	1.97
Total Project Cost	**28.79**	**50.01**	**261.66**	**15.45**	**1.97**

42 Changes in inventories	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
Inventories at the beginning of the period					
- Finished Goods	469.57	362.93	406.67	247.70	152.68
- Work in Progress	275.55	199.49	198.03	154.66	176.78
	745.12	562.42	604.70	402.37	329.46
Less: Inventories at the end of the period					
- Finished Goods	470.17	460.39	515.79	406.67	247.70
- Work in Progress	231.47	182.35	273.40	198.03	154.66
	701.64	642.74	789.19	604.70	402.37
Exchange Difference on Translation of foreign operation	(0.37)	13.60	21.80	3.63	(6.01)
Net decrease/ (increase)	**43.11**	**(66.72)**	**(162.69)**	**(198.70)**	**(78.92)**

43 Employee benefits expense	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	135.56	95.96	474.75	369.10	323.82
Contribution to provident and other funds	7.89	5.78	27.78	38.37	14.30
Gratuity (refer note 51)	1.54	0.88	4.92	2.91	2.51
Director's remuneration	14.78	18.26	66.68	70.11	84.77
Leave Encashment Expenditure	0.13	0.02	0.16	0.20	0.17
Staff welfare expenses	22.56	5.08	25.71	14.04	12.13
Total employee benefits expense	**182.46**	**125.97**	**600.00**	**494.73**	**437.71**

44 Finance costs	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
Interest expense on Financial liabilities measured at amortized cost					
- on loan from bank	14.35	-	17.28	-	-
- on Bank overdraft	11.69	6.74	47.08	19.34	17.50
- on loan from others	0.50	0.11	0.40	0.45	0.59
- on car loan	-	0.07	-	0.02	0.12
- on Borrowings	0.27	0.27	14.21	14.23	14.06
Interest expense on advance received from customer	-	-	-	-	6.03
Performance Guarantee	0.07	-	0.34	-	-
Other Borrowing Cost	-	-	0.16	-	-
Interest expense on lease liabilities	3.12	1.04	8.79	2.00	0.92
Total finance costs	**30.00**	**8.23**	**88.26**	**36.04**	**39.22**

45 Depreciation and amortization expense	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment	18.50	12.88	64.63	39.40	31.91
Depreciation on right-of-use asset	8.31	2.98	23.17	8.05	2.22
Depreciation on Investment property	1.76	2.24	8.74	11.10	14.75
Amortisation on intangible asset	14.24	0.43	28.03	0.52	0.43
Total depreciation and amortization expense	**42.81**	**18.53**	**124.58**	**59.08**	**49.32**

46 Impairment Losses on financial assets and contract ass	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
Impairment loss on trade receivables arising from contracts with customer	0.24	0.34	2.78	4.24	-
Total Impairment Losses	**0.24**	**0.34**	**2.78**	**4.24**	**-**

(Currency: Indian Rupees in Millions, unless otherwise stated)

47 Other expenses	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
Advertisement and marketing expenses	16.12	0.03	30.90	9.50	3.50
Bank Charges	1.41	1.95	4.22	6.31	8.07
Business Promotion Expenses	2.08	0.52	28.07	5.29	3.49
Bad Debts written off	0.46	-	10.09	4.00	35.71
Brokerage and Commission	0.58	0.02	4.27	1.88	1.50
Clearing and Forwarding	-	-	-	1.05	31.48
Corporate Social Responsibility Expenses (Refer note 59)	0.54	2.00	18.05	12.95	7.40
Donation	0.70	0.06	12.51	1.16	1.97
Electricity	1.06	0.64	3.26	2.86	1.97
GST Expenses	2.89	0.04	16.31	1.20	3.34
Hire Charges	0.11	0.20	0.98	0.45	0.40
Insurance	5.37	2.62	20.23	6.96	6.09
Interest on delayed payment of statutory dues	1.50	0.19	0.30	0.40	2.34
Labour Charges	0.98	1.22	1.71	-	-
Legal and Professional Fees	43.45	14.41	138.11	113.14	81.71
Lisence Fees	0.04	-	0.22	-	-
Net loss on sale of Property, Plant & Equipment	0.12	-	-	-	-
Merger Related Expenses	-	-	0.02	0.02	-
Miscellaneous Expenses	15.67	9.00	36.79	14.96	11.63
Net loss on foreign currency transactions	0.71	1.36	0.48	-	-
O & M Expenses	4.53	5.03	21.97	11.12	15.83
Office Expense	0.01	0.00	0.44	-	-
Other Assets written off^	-	-	0.00	-	33.00
Other Manufacturing Expense	4.74	4.15	44.96	26.82	19.32
Other operating expenses	0.39	-	1.96	26.61	18.83
Packing & Forwarding Expenses	0.07	0.10	0.78	0.31	0.70
Payment to auditors (refer note 47.a)	0.98	0.79	8.32	1.87	1.17
Pest Control Charges	0.24	0.20	0.82	-	-
Postage & Courier	0.41	0.57	3.10	4.09	1.48
Power and fuel	1.34	1.94	8.66	8.30	2.78
Printing & Stationery Expenses	2.72	0.37	2.28	1.98	1.54
Profession Tax- Company	0.01	0.01	0.09	-	-
Profession Tax- Directors	0.01	0.02	0.01	-	-
Property Tax	-	-	0.01	-	-
Rates & taxes	6.72	0.69	7.35	11.58	13.37
Rent	6.80	7.45	21.69	2.98	4.29
Repair and maintenance- Factory	0.01	0.02	1.53	0.13	3.74
Repair and maintenance- Building	0.28	0.01	1.48	0.07	0.03
Repair and maintenance- Other	12.38	3.17	13.99	14.99	10.03
Security Charges	2.07	0.67	4.66	2.72	2.12
Stores and spares	0.07	0.01	0.12	0.25	0.18
Telephone & Internet charges	0.71	0.64	1.47	2.00	1.55
Transportation Charges	5.17	11.78	87.28	58.56	37.58
Travelling and Lodging Expenses	36.56	15.29	94.61	83.93	39.63
Waste Disposal Charges	4.03	0.39	12.61	-	-
Total other expenses	**184.03**	**87.54**	**666.69**	**440.43**	**407.78**

47.a) Payment to auditors	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
As auditor:					
Statutory audit	0.98	0.79	8.32	1.77	1.10
In other capacity:					
Tax audit	-	-	-	0.10	0.08
Total	**0.98**	**0.79**	**8.32**	**1.87**	**1.17**

(Currency: Indian Rupees in Millions, unless otherwise stated)

48 Income Tax	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
(A) Current tax expense					
- Current tax charge	32.92	22.75	505.46	332.24	288.33
- Deferred tax charge / (income)	(1.56)	(6.67)	(11.01)	(7.82)	29.96
- MAT Credit	(0.98)	-	(1.72)	-	-
Income tax expense reported in the statement of profit or loss	**30.39**	**16.08**	**492.74**	**324.42**	**318.29**

(B) Deferred tax relates to the following:	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Deferred tax assets					
On lease arrangements as per Ind AS 116	6.76	5.25	6.35	5.07	0.82
On Preliminary Expenses	0.05	-	0.05	-	-
On Investment property	7.91	7.59	7.46	7.03	6.29
On Fair valuation of investment	-	-	-	0.07	1.13
On Expected Credit loss for Trade Receivables	23.38	22.77	23.46	23.20	22.14
On Gratuity Provision	1.26	4.72	1.21	0.62	0.71
On Unabsorbed losses	36.20	31.77	32.86	30.60	-
On Unrealised Profits on Inventory & Capital Jobs	6.28	4.44	4.83	2.89	9.59
On Acquisition of Financial Assets	6.44	-	6.44		
On share of profit/(loss) from associate/Joint Venture	2.84	1.30	4.80	0.85	-
	91.10	77.84	87.46	70.33	40.67
Deferred tax liabilities					
On property, plant and equipment	8.28	6.96	6.28	5.32	5.73
On Gratuity Provision	-	(1.92)	0.10		
On unbilled trade receivables as per Ind AS 115	50.09	46.04	49.43	44.91	26.82
On Financial Instruments	0.07	-	0.54	-	
On share of profit/(loss) from associate/Joint Venture	26.79	26.79	26.79	26.79	22.64
	85.23	77.87	83.15	77.02	55.19
Deferred Tax Asset/(Liabilities) (Net)	**5.87**	**(0.03)**	**4.31**	**(6.69)**	**(14.51)**

(C) Income tax expense charged to OCI	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
Items that will not be reclassified to profit or loss					
Net loss/(gain) on remeasurements of defined benefit liability(asset)		-	1.33	1.87	0.39
Income tax charged to OCI	**-**	**-**	**1.33**	**1.87**	**0.39**

(D) Reconciliation of effective tax rate	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023	Year ended March 31, 2022
Profit before tax from continuing operations	96.01	44.02	1,934.47	1,271.84	1,170.88
Tax using the Group's domestic tax rate	24.16	11.08	486.87	314.61	297.02
Tax effect of:					
-Non Deductible expenses	0.14	0.50	4.64	3.16	2.03
-Tax-exempt income	-	-	0.41	(1.30)	-
-Interest on late payment of taxes	-	-	15.60	4.86	-
-Deferred Tax Impact	(1.56)	(6.67)	1.66	-	-
Short/(Excess) provision of income tax of earlier periods	-	-	1.16	7.01	(0.01)
Others	10.37	10.80	(17.61)	(3.93)	19.25
Income tax expense	**33.11**	**15.72**	**492.73**	**324.42**	**318.29**

(Currency: Indian Rupees in Millions, unless otherwise stated)

Movement in deferred tax balances
For the period ended June 30, 2024

Particulars	Opening Balance	Recognized in Profit or Loss	Closing Balance
Tax effect of items constituting deferred tax asset			
On lease arrangements as per Ind AS 116	6.35	0.40	6.76
On Preliminary Expenses^	0.05	(0.00)	0.05
On Investment property	7.46	0.44	7.91
On Fair valuation of investment	-	-	-
On Expected Credit loss for Trade Receivables	23.46	(0.09)	23.38
On Gratuity Provision	1.21	0.05	1.26
On Unabsorbed losses	32.86	3.34	36.20
On Unrealised Profits on Inventory & Capital Jobs	4.83	1.45	6.28
On Acquisition of Financial Assets	6.44	-	6.44
On share of profit/(loss) from associate/Joint Venture	4.80	(1.96)	2.84
	87.46	3.64	91.10
Tax effect of items constituting deferred tax liabilities			
On property, plant and equipment	6.28	2.00	8.28
On Gratuity Provision	0.10	(0.10)	-
On unbilled trade receivables as per Ind AS 115	49.43	0.66	50.09
On Financial Instruments	0.54	(0.48)	0.07
On share of profit/(loss) from associate/Joint Venture	26.79	-	26.79
	83.15	2.08	85.23
Net Deferred Tax Asset / (Liabilities)	**4.31**	**1.56**	**5.87**

^ represents amount less than 0.01 Million

For the period ended June 30, 2023

Particulars	Opening Balance	Recognized in Profit or Loss	Closing Balance
Tax effect of items constituting deferred tax asset			
On lease arrangements as per Ind AS 116	5.07	0.18	5.25
On Preliminary Expenses	-	-	-
On Investment property	7.03	0.56	7.59
On Fair valuation of investment	0.07	(0.07)	-
On Expected Credit loss for Trade Receivables	23.20	(0.43)	22.77
On Gratuity Provision	0.62	4.09	4.72
On Unabsorbed losses	30.60	1.18	31.77
On Unrealised Profits on Inventory & Capital Jobs	2.89	1.55	4.44
On Acquisition of Financial Assets	-	-	-
On share of profit/(loss) from associate/Joint Venture	0.85	0.45	1.30
	70.33	7.51	77.84
Tax effect of items constituting deferred tax liabilities			
On property, plant and equipment	-	-	-
On Gratuity Provision	5.32	1.64	6.96
On unbilled trade receivables as per Ind AS 115	-	(1.92)	(1.92)
On Financial Instruments	44.91	1.13	46.04
On share of profit/(loss) from associate/Joint Venture	-	-	-
	50.23	0.84	51.08
Net Deferred Tax Asset / (Liabilities)	**20.10**	**6.67**	**26.77**

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

Annexure VII

Notes to Restated Consolidated Financial Information

CIN: U37003MH2005PLC152235

(Currency: Indian Rupees in Millions, unless otherwise stated)

For the period ended March 31, 2024

Particulars	Opening Balance	Recognized in Profit or Loss	Closing Balance
Tax effect of items constituting deferred tax asset			
On lease arrangements as per Ind AS 116	5.07	1.28	6.35
On Preliminary Expenses	-	0.05	0.05
On Investment property	7.03	0.44	7.46
On Fair valuation of investment	0.07	(0.07)	-
On Expected Credit loss for Trade Receivables	23.20	0.26	23.46
On Gratuity Provision	0.62	0.59	1.21
On Unabsorbed losses	30.60	2.26	32.86
On Unrealised Profits on Inventory & Capital Jobs	2.89	1.94	4.83
On Acquisition of Financial Assets	-	6.44	6.44
On share of profit/(loss) from associate/Joint Venture	0.85	3.95	4.80
	70.33	17.13	87.46
Tax effect of items constituting deferred tax liabilities			
On property, plant and equipment	5.32	0.96	6.28
On Gratuity Provision	-	0.10	0.10
On unbilled trade receivables as per Ind AS 115	44.91	4.52	49.43
On Financial Instruments	-	0.54	0.54
On share of profit/(loss) from associate/Joint Venture	26.79	-	26.79
	77.02	6.12	83.15
Net Deferred Tax Asset / (Liabilities)	**(6.69)**	**11.01**	**4.31**

For the period ended March 31, 2023

Particulars	Opening Balance	Recognized in Profit or Loss	Closing Balance
Tax effect of items constituting deferred tax asset			
On Investment property	6.29	0.74	7.03
On lease arrangements as per Ind AS 116	0.82	4.25	5.07
On Fair valuation of investment	1.13	(1.06)	0.07
On Expected Credit loss for Trade Receivables	22.14	1.07	23.20
On Gratuity Provision	0.71	(0.08)	0.62
On Inventory	9.59	(6.70)	2.89
On Unabsorbed losses	-	30.60	30.60
On share of profit/(loss) from associate/Joint Venture	-	0.85	0.85
	40.67	29.66	70.33
Tax effect of items constituting deferred tax liabilities			
On property, plant and equipment	5.73	(0.41)	5.32
On unbilled trade receivables as per Ind AS 115	26.82	18.09	44.91
On share of profit/(loss) from associate/Joint Venture	22.64	4.15	26.79
	55.19	21.84	77.02
Net Deferred Tax Asset / (Liabilities)	**(14.51)**	**7.82**	**(6.69)**

(Currency: Indian Rupees in Millions, unless otherwise stated)

For the period ended March 31, 2022

Particulars	Opening Balance	Recognized in Profit or Loss	Closing Balance
Tax effect of items constituting deferred tax asset			
On Investment property	3.93	2.36	6.29
On lease arrangements as per Ind AS 116	0.06	0.76	0.82
On Fair valuation of investment	-	1.13	1.13
On Expected Credit loss for Trade Receivables	29.40	(7.27)	22.14
On Gratuity Provision	0.57	0.14	0.71
On Inventory	-	9.59	9.59
On Unabsorbed losses	-	-	-
On share of profit/(loss) from associate/Joint Venture	-	-	-
	33.96	6.71	40.67
Tax effect of items constituting deferred tax liabilities			
On property, plant and equipment	2.83	2.90	5.73
On unbilled trade receivables as per Ind AS 115	-	26.82	26.82
On share of profit/(loss) from associate/Joint Venture	15.68	6.96	22.64
	18.51	36.67	55.19
Net Deferred Tax Asset / (Liabilities)	**15.45**	**(29.96)**	**(14.51)**

The offsets group tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant group Management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

(Currency: Indian Rupees in Millions, unless otherwise stated)

49 Earnings per share ("EPS")

Restated basic EPS is calculated by dividing the Profit / (loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Restated diluted EPS are calculated by dividing the Profit / (loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into

Calculation of EPS prior to issue of bonus shares:	**Quarter ended June 30, 2024**	**Quarter ended June 30, 2023**	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Profit for the period for basic and diluted EPS (A)	54.40	38.36	1,416.07	938.81	838.49
Weighted average number of Equity shares outstanding for calculating basic and diluted EPS (B)	62,27,418	62,27,418	62,27,418	62,27,418	62,27,418
Earnings Per Share (Rs.) - Basic (Face value of Rs. 10 per share) (A/B)	8.74	6.16	227.39	150.75	134.65
Earnings Per Share (Rs.) - Diluted (Face value of Rs. 10 per share) (A/B)	8.74	6.16	227.39	150.75	134.65

Note

Subsequent to period end, on September 5, 2024, Company has split the face value of its share from Rs. 10 per share to Rs. 2 per share. This results in increase of total equity shares to 3,11,37,090 shares. Company has issued 6,22,74,180 equity shares of Rs. 2 each as bonus shares in ratio of 2:1 to the existing equity shareholders. This has been approved by Board and Shareholders on September 5, 2024. Impact of the same has been considered in the calculation of Basic and Diluted EPS for the period ended June 30, 2024, June 30, 2023 and year ended March 31, 2024, March 31, 2023 and March 31, 2022 have been retrospectively adjusted.

Calculation of EPS post split and issue of bonus shares:	**Quarter ended June 30, 2024**	**Quarter ended June 30, 2023**	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Profit for the period for basic and diluted EPS (A)	54.40	38.36	1,416.07	938.81	838.49
Weighted average number of Equity shares outstanding for calculating basic and diluted EPS (B)	9,34,11,270	9,34,11,270	9,34,11,270	9,34,11,270	9,34,11,270
Earnings Per Share (Rs.) - Basic (Face value of Rs. 10 per share) (A/B) (not annualized for quarter ended June 30, 2024 and June 30, 2023)	0.58	0.41	15.16	10.05	8.98
Earnings Per Share (Rs.) - Diluted (Face value of Rs. 10 per share) (A/B) (not annualized for quarter ended June 30, 2024 and June 30, 2023)	0.58	0.41	15.16	10.05	8.98

50 Contingent liabilities and commitments	**As at June 30, 2024**	**As at June 30, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
I. Claims against the Group not acknowledged as debts					
GST Appeal *	-	4.50	-	4.50	-
Customs Notice #	0.21	-	0.21	-	-

* GST Appeal for outstanding liabilities has been filed for FY 2017-18 and FY 2019-20

\# Customs Notice has been received for period FY 2008-09 to FY 2012-13

II. Capital commitments

There are no capital commitments for the Group as on June 30, 2024; June 30, 2023; March 31, 2024; March 31, 2023 and March 31, 2022.

(Currency: Indian Rupees in Millions, unless otherwise stated)

51 Employee benefits

(I) Defined Contribution Plans

Employer's Contribution to Provident fund and ESIC

During the period, the Group's contribution to Provident Fund and ESIC is recognized in the statement of Profit and loss under the head Employee Benefit Expense.

Particulars	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
- Employer's contribution to Provident Fund and other Fund	7.89	5.78	27.78	38.37	14.30

(II) Defined benefit plans

Every employee is entitled to the benefit equivalent to 15 days of total gross salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the company on retirement or separation or death or permanent disablement in terms of the provisions of the payment of Gratuity Act.

	Particulars	Gratuity (Funded)				
		June 30, 2024	June 30, 2023	March 31, 2024	March 31, 2023	March 31, 2022
I)	**Reconciliation in present value of obligation (PVO)**					
	Defined benefit obligation:					
	Liability at the beginning of the period	57.26	44.24	44.33	34.50	30.26
	Liability on acquisiton of Subsidiary	-	-	2.20	-	-
	Interest Cost	0.97	1.14	3.31	2.25	1.88
	Current service cost	1.22	1.19	3.71	2.71	2.37
	Benefits paid	(0.39)	(0.99)	(1.59)	(2.23)	(1.52)
	Actuarial (Gain)/ Loss - Financial Assumptions	(0.29)	0.42	4.89	(0.59)	0.56
	Actuarial (Gain)/ Loss - Experience	2.22	4.04	0.42	7.70	0.94
	Liability at the end of the period	**61.00**	**50.04**	**57.26**	**44.33**	**34.50**
II)	**Change in fair value of plan assets:**					
	Fair value of plan assets at the beginning of the period	52.68	29.62	29.65	29.52	27.58
	Fair value of plan assets on acquisition of Subsidiary	-	-	1.74	-	-
	Expected return on plan assets	0.90	0.73	2.22	1.95	1.73
	Employer Contributions	2.79	0.60	20.42	0.60	1.75
	Benefits paid	(0.39)	(0.99)	(1.59)	(2.23)	(1.52)
	Actuarial gain on plan assets	0.06	0.06	0.23	(0.19)	(0.02)
	Funded status	**56.03**	**30.03**	**52.68**	**29.65**	**29.52**
III)	**Expenses recognized in the Statement of Profit & Loss:**					
	Current service cost	1.83	1.19	3.71	2.71	2.37
	Net Interest costs	0.09	0.41	1.08	0.30	0.16
	Other expenses/adjustments	-	-	-	-	-
	Components of Defined Benefit Cost recognized in Statement of Profit and loss	**1.93**	**1.60**	**4.79**	**3.00**	**2.53**
IV)	**Expenses recognized in the Other Comprehensive Income:**					
	Actuarial (gain) / loss	1.92	4.40	5.34	7.30	1.52
		1.92	**4.40**	**5.34**	**7.30**	**1.52**
V)	**Included in Other Comprehensive Income**					
	Amount recognized in OCI, Beginning of the period	13.89	8.82	8.82	1.52	-
	Remeasurements due to:					
	Effect of Change In financial assumptions	0.13	0.07	0.95	(0.94)	(0.10)
	Effect of Change In Demographic assumptions	2.22	4.04	0.63	7.70	0.94
	Effect of experience adjustments	(0.42)	0.35	3.73	0.35	0.65
	Return on plan Assets(excluding interest)	(0.06)	(0.06)	(0.23)	0.19	0.02
	Total Remeasurements recognized in OCI	1.88	4.40	5.07	7.30	1.52
	Amount recognized in OCI, End of the period	**15.77**	**13.21**	**13.89**	**8.82**	**1.52**

(Currency: Indian Rupees in Millions, unless otherwise stated)

VI) Net Liability recognized in the balance sheet

Fair value of plan assets at the end of the period	56.03	30.03	52.68	29.65	29.52
Liability at the period end	(55.79)	(50.04)	57.26	(44.33)	(34.50)
Amount recognized in the balance sheet	**0.25**	**(20.01)**	**109.93**	**(14.68)**	**(4.98)**

VII) Category of assets as at the end of the period:

Insurer Managed Fund	100%	100%	100%	100%	100%

	Gratuity (Funded)				
VIII) Actuarial Assumptions	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Discount rate	7.00% - 7.19%	7.36% - 7.39%	7.10% - 7.22%	7.25% - 7.50%	5.70% - 7.33%
Expected rate of return on plan assets	7.10% - 7.22%	7.10% - 7.22%	7.10% - 7.22%	7.25%	5.70%
Expected salary increase rate	5.00% - 8.00%	5.00% - 8.00%	5.00% - 8.00%	5.00%	5.00%
Attrition rate	2.00% - 5.00%	2.00% - 5.00%	2.00% - 5.00%	2.00% - 40.00%	2.00% - 40.00%
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement Age	58 to 60 years	58 to 60 years	58 to 60 years	58 to 60 years	60 years

	Gratuity (Funded)				
IX) Experience adjustments	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Present value of defined benefit obligation	61.00	50.04	57.26	44.33	34.50
Fair value of the plan assets	56.03	30.03	52.68	29.65	29.52
(Deficit) in the plan	(4.97)	(20.01)	(4.58)	(14.68)	(4.98)
Experience adjustments on:					
On plan liability	2.22	4.04	0.42	7.70	0.94
On plan asset	0.06	0.06	0.23	(0.19)	(0.02)

X) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as shown below.

	Gratuity (Funded)				
Particulars	**Quarter ended June 30, 2024**	**Quarter ended June 30, 2023**	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Increase in					
Discount rate (1% movement)	41.76	43.62	38.32	2.87	2.01
Future salary growth (1% movement)	49.00	41.83	45.23	(1.66)	(1.74)
Decrease in					
Discount rate (1% movement)	51.32	35.97	47.20	(3.37)	(2.37)
Future salary growth (1% movement)	43.55	37.27	39.80	1.86	1.50

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

XI) Expected future cash flows

The expected contributions for the defined benefit plan for the next financial years are mentioned below:

	Gratuity (Funded)				
Expected future benefit payments	**Quarter ended June 30, 2024**	**Quarter ended June 30, 2023**	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Year 1	4.78	5.36	7.78	5.34	4.74
Year 2	11.79	3.67	8.87	3.42	3.06
Year 3	3.79	5.77	3.75	5.52	2.19
Year 4	4.29	3.13	4.23	2.87	4.58
Year 5	8.97	3.87	8.94	3.60	2.15
Year 6-10	16.55	20.52	16.41	18.76	13.48
Above 10 years	71.90	71.39	66.71	58.22	41.49
Average Expected Future Working life (in years)	16.25	9.18	18.37	18.42	18.06

(Currency: Indian Rupees in Millions, unless otherwise stated)

The trustees of the plan have outsourced the investment management of the fund to an insurance Group. The insurance Group in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

	Particulars	Gratuity (Unfunded)				
		June 30, 2024	June 30, 2023	March 31, 2024	March 31, 2023	March 31, 2022
I)	**Reconciliation in present value of obligation (PVO)**					
	Defined benefit obligation:					
	Liability at the beginning of the period	0.44	0.14	0.14	-	-
	Liability on acquisiton of Subsidiary	-	-	-	-	-
	Interest Cost^	0.01	0.00	0.01	-	-
	Current service cost	0.24	0.07	0.26	0.14	-
	Benefits paid	-	-	-	-	-
	Actuarial (Gain)/ Loss - Financial Assumptions^	0.00	0.00	0.01	-	-
	Actuarial (Gain)/ Loss - Experience	(0.03)	(0.03)	0.02	-	-
	Liability at the end of the period	**0.66**	**0.18**	**0.44**	**0.14**	**-**
II)	**Change in fair value of plan assets:**					
	Fair value of plan assets at the beginning of the period	-	-	-	-	-
	Fair value of plan assets on acquisition of Subsidiary			-		
	Expected return on plan assets	-	-	-	-	-
	Employer Contributions	-	-	-	-	-
	Benefits paid	-	-	-	-	-
	Actuarial gain on plan assets	-	-	-	-	-
	Funded status	**-**	**-**	**-**	**-**	**-**
III)	**Expenses recognized in the Statement of Profit & Loss:**					
	Current service cost	0.23	0.08	0.26	-	-
	Net Interest costs^	0.00	0.01	0.01	0.14	-
	Other expenses/adjustments	-	-	-	-	-
	Components of Defined Benefit Cost recognized in Statement of Profit and loss	**0.23**	**0.09**	**0.27**	**0.14**	**-**
IV)	**Expenses recognized in the Other Comprehensive Income:**					
	Actuarial (gain) / loss	(0.01)	0.04	0.03	-	-
		(0.01)	**0.04**	**0.03**	**-**	**-**
V)	**Included in Other Comprehensive Income**					
	Amount recognized in OCI, Beginning of the period	0.03	-	-	-	-
	Remeasurements due to:	-	-			
	Effect of Change In financial assumptions^	0.00	0.00	0.01	-	-
	Effect of Change In Demographic assumptions	-	-	-	-	-
	Effect of experience adjustments	(0.03)	(0.03)	0.02	-	-
	Return on plan Assets(excluding interest)	-	-	-	-	-
	Total Remeasurements recognized in OCI	(0.02)	(0.03)	0.03	-	-
	Amount recognized in OCI, End of the period	**0.01**	**(0.03)**	**0.03**	**-**	**-**
VI)	**Net Liability recognized in the balance sheet**					
	Fair value of plan assets at the end of the period	-	-	-	-	-
	Liability at the period end	0.66	0.18	0.44	(0.14)	-
	Amount recognized in the balance sheet	**0.66**	**0.18**	**0.44**	**(0.14)**	**-**

^ represents amount less than 0.01 Million

(Currency: Indian Rupees in Millions, unless otherwise stated)

VII) Category of assets as at the end of the period:

Insurer Managed Fund

	Gratuity (Unfunded)				
VIII) Actuarial Assumptions	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Discount rate	7.17% - 7.19%	7.31% - 7.41%	7.22% - 7.23%	7.50%	-
Expected rate of return on plan assets	-	-	-	-	-
Expected salary increase rate	5.00%	5.00%	5.00%	5.00%	-
Attrition rate	2.00% - 5.00%	2.00% - 5.00%	2.00% - 5.00%	5.00%	-
Mortality rate	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	-
	Ultimate	Ultimate	Ultimate	Ultimate	-
Retirement Age	58 to 60 years	58 to 60 years	58 to 60 years	58 to 60 years	-

	Gratuity (Unfunded)				
IX) Experience adjustments	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Present value of defined benefit obligation	0.66	0.18	0.44	0.14	-
Fair value of the plan assets	-	-	-	-	-
(Deficit) in the plan	(0.66)	(0.18)	(0.44)	(0.14)	-
Experience adjustments on:					
On plan liability	(0.03)	-	-	-	-
On plan asset	-	-	-	-	-

X) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as shown below.

Particulars	Gratuity (Unfunded)				
Increase in	**Quarter ended June 30, 2024**	**Quarter ended June 30, 2023**	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Discount rate (1% movement)	0.59	0.16	-	-	-
Future salary growth (1% movement)	0.75	0.19	0.39	0.12	-
Decrease in					
Discount rate (1% movement)	0.75	0.19	-	-	-
Future salary growth (1% movement)	0.59	0.16	0.49	0.15	-

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

XI) Expected future cash flows

The expected contributions for the defined benefit plan for the next financial years are mentioned below:

Expected future benefit payments	Gratuity (Unfunded)				
	Quarter ended June 30, 2024	**Quarter ended June 30, 2023**	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Year 1 ^	0.00	0.00	0.00	0.00	-
Year 2 ^	0.00	0.00	0.00	0.00	-
Year 3 ^	0.00	0.00	0.00	0.00	-
Year 4 ^	0.04	0.00	0.03	0.00	-
Year 5	0.05	0.02	0.04	0.02	-
Year 6-10	0.38	0.86	0.26	0.07	-
Above 10 years	1.01	6.45	0.92	0.32	-
Average Expected Future Working life (in years)	15.94	16.08	11.96	12.08	18.06

^ represents amount less than 0.01 Million

The trustees of the plan have outsourced the investment management of the fund to an insurance Group. The insurance Group in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

(Currency: Indian Rupees in Millions, unless otherwise stated)

XII) Leave encashment expenses	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Expense recognized in the statement of profit and loss	0.13	0.02	0.16	0.20	0.17

(B) Every employee is entitled to the benefit equivalent to 15 days of total gross salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the company on retirement or separation or death or permanent disablement in terms of the provisions of the payment of Gratuity Act.

Particulars	Leave Encashment (Unfunded)				
	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
I) Reconciliation in present value of obligation (PVO)					
Defined benefit obligation:					
Liability at the beginning of the period	0.13	-	-	-	-
Interest cost	-	-	-	-	-
Current service cost	-	-	-	-	-
Benefits paid	-	-	-	-	-
Actuarial (gain) / loss - Financial Assumptions	-	-	-	-	-
Actuarial (gain) / loss - Experience	-	-	-	-	-
Liability at the end of the period	-	-	-	-	-
	0.13	**-**	**-**	**-**	**-**
II) Expenses recognized in the Statement of Profit & Loss:					
Current service cost	0.13	-	-	-	-
Net interest costs	-	-	-	-	-
Components of defined benefit cost recognized in Profit and Loss	**0.13**	**-**	**-**	**-**	**-**
III) Expenses recognized in the Other Comprehensive Income:					
Actuarial (gain) / loss	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

IV) Included in Other Comprehensive Income	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Amount recognized in OCI, beginning of the period					
Remeasurements due to:					
Effect of change in financial assumptions	-	-	-	-	-
Effect of experience adjustments	-	-	-	-	-
Total remeasurements recognized in OCI	-	-	-	-	-
Amount recognized in OCI, end of the period	**-**	**-**	**-**	**-**	**-**
V) Net liability recognized in the Balance Sheet					
Fair value of plan assets at the end of the period	-	-	-	-	-
Liability at the period end	0.13	-	-	-	-
Amount recognized in the Balance Sheet	-	-	-	-	-
	0.13	**-**	**-**	**-**	**-**

VI) Actuarial Assumptions	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Discount rate (%)	7.17%	-	-	-	-
Expected rate of return on plan assets (%)	-	-	-	-	-
Expected salary increase rate (%)	5.00%	-	-	-	-
Mortality rate	IALM (2012-14) Ultimate	-	-	-	-
Retirement age	60 years	-	-	-	-

(Currency: Indian Rupees in Millions, unless otherwise stated)

VII) Experience adjustments

	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Present value of defined benefit obligation	(0.13)	-	-	-	-
Fair value of the plan assets	-	-	-	-	-
(Surplus)/ Deficit in the plan	(0.13)	-	-	-	-
Experience adjustments on:	-	-	-	-	-
On plan liability	-	-	-	-	-

VIII) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as shown below.

	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Increase in					
Discount rate (1% movement)	0.11	-	-	-	-
Future salary growth (1% movement)	0.14	-	-	-	-
Decrease in					
Discount rate (1% movement)	0.14	-	-	-	-
Future salary growth (1% movement)	0.11	-	-	-	-

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

IX) Expected future cash flows

The expected contributions for the defined benefit plan for the next financial periods are mentioned below:

Expected future benefit payments	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Year 1 ^	0.00	-	-	-	-
Year 2 ^	0.00	-	-	-	-
Year 3 ^	0.00	-	-	-	-
Year 4 ^	0.00	-	-	-	-
Year 5 ^	0.00	-	-	-	-
Year 6-10	0.07	-	-	-	-
Above 10 years	0.26	-	-	-	-

^ It represents value less than 0.01 million

(Currency: Indian Rupees in Millions, unless otherwise stated)

52 Related Party Disclosures

1 Related parties where control exists

Subsidiary Company

Chavare Engineering Private Limited	Subsidiary Company
Navitas Waste Treatment Private Limited	Subsidiary Company
Vasudha Waste Treatment Private Limited	Subsidiary Company
SFC Umwelttechnik GmbH	Subsidiary Company
SFC Ekotechnika S.r.o	Subsidiary Company
Fine Aeration Systems Private Limited	Subsidiary Company
Hindustan Waste Treatment Private Limited	Subsidiary Company (w.e.f. October 05, 2023)
Pentagen Biofuels Private Limited	Subsidiary Company
Chavare Engineering & Endress Plus Hauser JV	Subsidiary

Associate/ Joint Venture Company

Hindustan Waste Treatment Private Limited	Associate Company (Till October 05, 2023)
Turbomax India Private Limited	Associate Company
Endress + Hauser & Chavare Engineering (JV) Private Limited	Joint Venture of our Subsidiary Company

Company where there is common director

Crest IT Consulting Pvt. Ltd.	Company where there is one common director upto November

2 Key Managerial Personal

Sandeep Sudhakar Asolkar	Chairman & Managing Director (Managing Director till November 18, 2023)
Sarvesh Kumar Garg	Executive Director
Saketchandrasingh Pratapsingh Dhandoriya	Additional Executive Director (appointed w.e.f. September 05, 2024)
Mandar Dinkar Desai	Chief Executive Officer (w.e.f. August 14, 2024)
Amit Anil Sawant	Chief Financial Officer (w.e.f. August 14, 2024)
Shweta Deshpande	Company Secretary and Compliance Officer
Sandeep Sambhaji Parab	Director till November 06, 2023
Veera Venkata Satyanarayana Yannamani	Director till November 06, 2023

Relative Key Managerial Personal

Prachiti Asolkar	Relative of Chairman & Managing Director

3 Disclosure of transactions between the Group and Related parties and the status of outstanding balances as at year ending

Particulars	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
A. Transactions with related parties:					
Directors Remuneration and Incentives					
Sandeep Asolkar	8.25	8.25	33.00	32.99	34.86
Sarvesh Garg	2.96	2.96	11.83	11.83	11.14
Sandeep Parab	-	2.96	7.11	11.83	11.86
Veera Venkata Satyanarayana Yannamani	-	2.96	7.11	11.83	10.80
Aparna Kapoor	-	-	-	-	8.68
Salary					
Shweta Deshpande	0.28	0.19	0.83	0.05	-
Prachiti Asolkar	0.37	-	0.72	-	
Dividend					
Sandeep Asolkar	42.11	-	31.59	40.50	-
Sarvesh Garg	7.37	-	5.53	-	-
Purchase of Service and Material					
Crest IT Consulting Pvt. Ltd.	-	-	-	-	2.46
Purchase of Property, Plant and Equipment					
Crest IT Consulting Pvt. Ltd.	-	-	-	-	0.04
Reimbursement of Expense					
Hindustan Waste Treatment Private Limited	-	-	-	-	1.50
Rent Received					
Turbomax India Private Limited	0.05	0.05	0.18	0.09	-

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)
Annexure VII
Notes to Restated Consolidated Financial Information
CIN: U37003MH2005PLC152235
(Currency: Indian Rupees in Millions, unless otherwise stated)

Particulars	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Sales					
Hindustan Waste Treatment Private Limited	-	-	-	-	174.93
Supply of Services					
Hindustan Waste Treatment Private Limited	-	1.95	3.90	66.80	19.82
Interest on Loan					
Hindustan Waste Treatment Private Limited	-	-	-	0.14	-
Sale of Fixed Asset					
Turbomax India Private Limited	-	-	5.05	-	-
Hindustan Waste Treatment Private Limited	-	-	-	-	0.60
Reimbursement of Fees towards Business Support Services					
Turbomax India Private Limited	-	-	-	6.09	-
B. Transactions eliminated on Consolidation					
SFC Environmental Technologies Limited					
Dividend (Income)					
Chavare Engineering Private Limited	-	-	4.08	-	-
Purchases of Material at Gross					
Chavare Engineering Private Limited	4.26	37.04	99.17	43.71	75.12
Pentagen Biofuels Private Limited	-	-	6.82	-	-
Fine Aeration Systems Private Limited	11.00	0.78	229.02	-	-
Services Procured (Expense)					
Pentagen Biofuels Private Limited	-	-	9.75	-	-
Fine Aeration Systems Private Limited	-	-	0.11	-	-
Purchase of Shares					
Navitas Waste Treatment Private Limited	-	-	219.99	-	-
Repairs & Maintenance Expenses					
Chavare Engineering Private Limited	-	-	0.10	0.01	-
			-		
Corporate Guarantee Commission (Income)					
Chavare Engineering Private Limited	0.55	0.55	2.20	1.60	-
Pentagen Biofuels Private Limited	0.14	-	0.26	-	-
Vasudha Waste Treatment Private Limited	1.35	-	1.58	-	-
Erection, Commissioning & Installation Charges					
Chavare Engineering Private Limited	-	-	-	4.20	-
Loan Given (Payment)					
Navitas Waste Treatment Private Limited	-	-	-	13.00	170.50
Vasudha Waste Treatment Private Limited	32.20	48.10	83.80	138.10	313.91
Hindustan Waste Treatment Private Limited	-	-	90.00	-	-
Fine Aeration Systems Private Limited	23.50	33.50	111.78	7.00	-
Chavare Engineering Private Limited	-	-	80.00	-	-
Pentagen Biofuels Private Limited	10.24	-	17.52	-	-
Repayment of Loan (Receipt)					
Navitas Waste Treatment Private Limited	-	-	186.29	93.00	90.50
Hindustan Waste Treatment Private Limited	90.95	-	-	-	-
Vasudha Waste Treatment Private Limited	150.00	-	394.97	7.53	-
Chavare Engineering Private Limited	4.50	-	55.30	-	-
Rent (Income)					
Navitas Waste Treatment Private Limited	0.06	0.06	0.24	0.18	0.18

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

Annexure VII

Notes to Restated Consolidated Financial Information

CIN: U37003MH2005PLC152235

(Currency: Indian Rupees in Millions, unless otherwise stated)

Particulars	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Sales of Goods (Income)					
Hindustan Waste Treatment Private Limited	17.28	-	40.75	-	-
Vasudha Waste Treatment Private Limited	17.91	-	15.34	549.93	-
Fine Aeration Systems Private Limited	11.52	20.90	97.88	0.67	-
Supply of Services (Income)					
Hindustan Waste Treatment Private Limited	1.95	-	3.90	-	-
Vasudha Waste Treatment Private Limited	0.30	0.30	1.20	-	843.85
Pentagen Biofuels Private Limited	-	-	3.53	-	-
Sale of Fixed Assets					
Hindustan Waste Treatment Private Limited	-	-			
Vasudha Waste Treatment Private Limited	-	-	-	-	0.47
Interest on Loan (Income)					
Hindustan Waste Treatment Private Limited	0.09	-	1.05	-	-
Vasudha Waste Treatment Private Limited	6.16	14.64	54.15	52.57	21.37
Fine Aeration Systems Private Limited	3.45	0.55	5.97	0.05	-
Reimbursement of Expenses					
Hindustan Waste Treatment Private Limited	-	-	-	-	-
Vasudha Waste Treatment Private Limited^	-	-	-	0.00	-
Fine Aeration Systems Private Limited	-	0.11	-		
Share Capital Subscribed					
Pentagen Biofuels Private Limited	2.40	8.00	17.60	-	-
Fine Aeration Systems Private Limited	-	-	-	0.51	-
<u>Chavare Engineering Private Limited</u>					
Dividend (Expense)					
SFC Environmental Technologies Limited	-	-	4.08	-	-
Sale of Material at Gross					
SFC Environmental Technologies Limited	4.26	37.04	99.17	43.71	75.12
Vasudha Waste Treatment Private Limited	0.39	-	-	-	-
Sale of Services					
SFC Environmental Technologies Limited	-	-	0.10	4.21	-
Chavare Engineering & Endress Plus Hauser JV	110.75	-	92.58	-	-
Corporate Guarantee Commission (Expense)					
SFC Environmental Technologies Limited	0.55	0.55	2.20	1.60	-
Loan Taken (Receipt)					
SFC Environmental Technologies Limited	-	-	80.00	-	-
Repayment of Loan (Payment)					
SFC Environmental Technologies Limited	4.50	-	55.30	-	-
Sale of Goods			-		
Pentagen Biofuels Private Limited	-	-	5.04	-	-
<u>Hindustan Waste Treatment Private Limited</u>					
Purchase of Services					
SFC Environmental Technologies Limited	1.95	-	3.90	-	-
Purchase of Material					
SFC Environmental Technologies Limited	0.88		0.16	-	-
Fine Aeration Systems Private Limited^	-	-	0.00	-	-
Purchase of Fixed Assets					
SFC Environmental Technologies Limited	16.40	-	40.59	-	-

(Currency: Indian Rupees in Millions, unless otherwise stated)

Particulars	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Interest on Loan borrowed					
SFC Environmental Technologies Limited	0.09	-	1.05	-	-
Loan Borrowed					
SFC Environmental Technologies Limited	-	-	90.00	-	-
Loan Repaid					
SFC Environmental Technologies Limited	90.95	-	-	-	-
Vasudha Waste Treatment Private Limited					
Purchase of Service & Material					
SFC Environmental Technologies Limited	1.65	0.30	2.78	525.78	843.85
Chavare Engineering Private Limited	0.39	-			
Purchase of Assets					
SFC Environmental Technologies Limited	17.91	-	15.34	24.15	0.47
Loan Borrowed					
SFC Environmental Technologies Limited	32.20	48.10	83.80	138.10	313.91
Interest on Loan					
SFC Environmental Technologies Limited	6.16	14.64	54.15	52.57	21.37
Loan Repaid					
SFC Environmental Technologies Limited	150.00	-	394.97	7.53	-
Reimbursement of expenses & Purchase of goods					
SFC Environmental Technologies Limited^	-	-	-	0.00	-
Navitas Waste Treatment Private Limited					
Loan taken					
SFC Environmental Technologies Limited	-	-	-	13.00	170.50
Loan repaid					
SFC Environmental Technologies Limited	-	-	186.29	93.00	90.50
Rent Expense					
SFC Environmental Technologies Limited	0.06	0.06	0.24	0.18	0.18
Sale of Shares / Investment					
SFC Environmental Technologies Limited	-	-	219.99	-	-
Fine Aeration Systems Private Limited					
Purchase of Goods					
SFC Environmental Technologies Limited	11.52	20.90	97.54	-	-
Purchase of Assets					
SFC Environmental Technologies Limited	-	-	0.34	0.67	-
Sales of Goods/ Services					
SFC Environmental Technologies Limited	11.00	0.78	229.12	-	-
Hindustan Waste Treatment Private Limited ^	-	-	0.00	-	-
Reimbursement of Expesnes					
SFC Environmental Technologies Limited	-	0.11	-	-	-
Loan Borrowed					
SFC Environmental Technologies Limited	23.50	33.50	111.78	7.00	-
Loan Repaid					
SFC Environmental Technologies Limited	-	-	-	-	-

Particulars	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Interest on Loan Paid					
SFC Environmental Technologies Limited	3.45	0.55	5.97	0.05	-
Share Capital Issued					
SFC Environmental Technologies Limited	-	-	-	0.51	-
Pentagen Biofuels Private Limited					
Sale of Goods					
SFC Environmental Technologies Limited	-	-	6.82	-	-
Sale of Services					
SFC Environmental Technologies Limited	-	-	9.75	-	-
Purchase of Goods					
Chavare Engineering Private Limited	-	-	5.04	-	-
Purchase of Services					
SFC Environmental Technologies Limited	0.14	-	3.78	-	-
Loan Borrowed					
SFC Environmental Technologies Limited	10.24	-	17.52	-	-
Loan Repaid					
SFC Environmental Technologies Limited	-	-	-	-	-
Share Capital Issued					
SFC Environmental Technologies Limited	2.40	8.00	17.60	-	-
Chavare Engineering & Endress Plus Hauser JV					
Purchase of Services					
Chavare Engineering Private Limited	110.75	-	92.58	-	-
SFC Umwelttechnik GmbH					
Purchase of Goods					
SFC Ekotechnika S.r.o	1.65	-	-	-	-
SFC Ekotechnika S.r.o					
Sale of Goods					
SFC Umwelttechnik GmbH	1.65	-	-	-	-

C. Balances outstanding as at the year end are as follows:

Particulars	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Hindustan Waste Treatment Private Limited	-	4.06	-	1.51	41.78
Crest IT Consulting Pvt. Ltd.	-	-	-	-	0.08
Turbomax India Private Limited	0.26	0.05	0.21	6.19	-

D. Balances elimintated at period ended June 30, 2024; June 30, 2023; March 31, 2024; March 31, 2023 and March 31, 2022 are as follows:

Particulars	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
SFC Environmental Technologies Limited					
Chavare Engineering Private Limited	1.59	31.82	15.89	18.35	8.41
Hindustan Waste Treatment Private Limited	78.79	-	56.46	-	-
Vasudha Waste Treatment Private Limited	25.86	157.74	3.08	187.44	-
Navitas Waste Treatment Pvt. Ltd	0.56	0.06	0.50	-	-
Fine Aeration Systems Pvt Ltd	70.97	13.45	15.22	0.80	-
Pentagen Biofuels Pvt Ltd	4.23	-	1.33		
Chavare Engineering Private Limited- Loan Account	20.20	-	24.70	-	-
Navitas Waste Treatment Private Limited- Loan Account	-	221.57	-	221.57	301.57
Hindustan Waste Treatment Private Limited - Loan Account	0.09		90.95	-	-
Vasudha Waste Treatment Private Limited - Loan Account	258.26	680.43	369.89	632.33	454.44
Fine Aeration Systems Pvt Ltd - Loan Account	147.70	41.10	124.20	7.04	-
Pentagen Biofuels Pvt Ltd - Loan Account	21.97	-	17.52	-	-

SFC Environmental Technologies Limited

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Annexure VII

Notes to Restated Consolidated Financial Information

CIN: U37003MH2005PLC152235

(Currency: Indian Rupees in Millions, unless otherwise stated)

Particulars	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Chavare Engineering Private Limited					
SFC Environmental Technologies Private Limited	1.59	31.82	15.89	18.35	8.41
Chavare Engineering & Endress Plus Hauser JV	66.84	18.83	23.22	-	-
Vasudha Waste Treatment Private Limited	0.46	-			
SFC Environmental Technologies Private Limited- Loan	20.20	-	24.70	-	-
Hindustan Waste Treatment Private Limited					
SFC Environmental Technologies Private Limited- Loan	0.09	-	90.95	-	-
SFC Environmental Technologies Private Limited	78.79	-	56.46	-	-
Vasudha Waste Treatment Private Limited					
SFC Environmental Technologies Private Limited- Loan	258.26	680.43	369.89	632.33	454.44
SFC Environmental Technologies Private Limited	25.86	157.74	3.08	187.44	-
Chavare Engineering Private Limited	0.46	-	-	-	-
Navitas Waste Treatment Pvt. Ltd					
SFC Environmental Technologies Private Limited- Loan	-	221.57	-	221.57	301.57
SFC Environmental Technologies Private Limited	0.56	0.06	0.50	-	-
Fine Aeration Systems Pvt Ltd					
SFC Environmental Technologies Private Limited- Loan	147.70	41.10	124.20	7.04	-
SFC Environmental Technologies Private Limited	70.97	13.45	15.22	0.80	-
Pentagen Biofuels Private Limited					
SFC Environmental Technologies Private Limited- Loan	21.97	-	17.52		
SFC Environmental Technologies Private Limited	4.23	-	1.33		
Chavare Engineering & Endress Plus Hauser JV					
Chavare Engineering Private Limited	66.84	18.83	23.22	-	-
SFC Umwelttechnik GmbH					
SFC Ekotechnika S.r.o	1.20	1.58	9.07	0.61	-
SFC Ekotechnika S.r.o					
SFC Umwelttechnik GmbH	1.20	1.58	9.07	0.61	-

- The information given above, has been reckoned on The basis of information available with the Company and relied upon by the auditors.
- The transactions from related parties are made at terms equivalent to those that prevail in arm's length transactions.

- The following person have been identified as Senior Management Personnels as per SEBI (Listing Obligations and Disclosure Requirements) & SEBI (Issue of Capital and Disclosure Requirements) regulations:

1. Rajnesh Trivedi
2. Sandeep Sambhaji Parab
3. Veera Venkata Satyanarayana Yannamani
4. Madurakavi Kumaraguru
5. Ajit Dhondiram Marathe
6. Abhijit Parolkar
7. Mahendra Pandharinath Ingale
8. Virendra Vijay Rane
9. Rohan Manohar Kharche

53 Investments in Associate and Joint Ventures

Investments in Associates

As at June 30, 2024

Particulars	No. of equity shares held	% of holding	Original cost of investment	Carrying amount of investment
Hindustan Waste Treatment Private Limited	-	-	-	-
Turbomax India Private Limited	37,24,000	49%	37.24	25.46

As at June 30, 2023

Particulars	No. of equity shares held	% of holding	Original cost of investment	Carrying amount of investment
Hindustan Waste Treatment Private Limited	1,91,29,600	49%	191.30	315.04
Turbomax India Private Limited	37,24,000	49%	37.24	32.02

As at March 31, 2024

Particulars	No. of equity shares held	% of holding	Original cost of investment	Carrying amount of investment
Hindustan Waste Treatment Private Limited #	-	-	-	-
Turbomax India Private Limited	37,24,000	49%	37.24	22.66

Classified as subsidiary during the year

As at March 31, 2023

Particulars	No. of equity shares held	% of holding	Original cost of investment	Carrying amount of investment
Hindustan Waste Treatment Private Limited	1,91,29,600	49%	191.30	297.75
Turbomax India Private Limited*	37,24,000	49%	37.24	33.80

*During the year, the Group has incorporated and subscribed additional 37,24,000 equity shares of Turbomax India Private Limited.

As at March 31, 2022

Particulars	No. of equity shares held	% of holding	Original cost of investment	Carrying amount of investment
Hindustan Waste Treatment Private Limited	1,91,29,600	49%	191.30	281.18

Summarised financial information in respect of each of the Group's associate is set out below. The summarised financial information below represents amounts shown in the associate financial statements.

Particulars - Hindustan Waste Treatment Private Limited	June 30, 2024 **	June 30, 2023
Current assets	-	498.03
Non-current assets	-	301.08
Current liabilities	-	148.21
Non-current liabilities	-	7.96
Revenue	-	113.80
Profit / (loss) for the period	-	35.29
Other comprehensive income for the period	-	(0.01)
Total comprehensive income for the period	-	35.28

** Company classified as subsidiary

Particulars - Hindustan Waste Treatment Private Limited	March 31, 2024 *	March 31, 2023	March 31, 2022
Current assets	# Classified as subsidiary during the year	363.25	616.81
Non-current assets		441.73	450.88
Current liabilities		196.88	493.39
Non-current liabilities		0.45	0.46
Revenue	282.96	482.10	1,057.29
Profit / (loss) for the period	70.96	33.63	55.92
Other comprehensive income for the period	-	0.19	0.38
Total comprehensive income for the period	70.96	33.82	56.30

* Financials till the time it was classified as associate

Particulars - Turbomax India Private Limited	June 30, 2024	June 30, 2023
Current assets	50.34	64.07
Non-current assets	36.81	20.28
Current liabilities	29.30	10.65
Non-current liabilities	5.03	8.36
Revenue	31.68	0.01
Profit / (loss) for the period	5.75	(3.63)
Other comprehensive income for the period	-	-
Total comprehensive income for the period	5.75	(3.63)

Particulars - Turbomax India Private Limited	March 31, 2024	March 31, 2023	March 31, 2022
Current assets	41.68	72.66	-
Non-current assets	37.16	8.19	-
Current liabilities	23.36	8.39	-
Non-current liabilities	8.41	3.49	-
Revenue	3.41	0.02	-
Profit / (loss) for the period	(21.91)	(7.02)	-
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	(21.91)	(7.02)	-

Investments in Joint Ventures

As at June 30, 2024

Particulars	No. of equity shares held	% of holding	Original cost of investment	Carrying amount of investment
JV Endress + Hauser & Chavare Engineering (JV) Private Limited	24,500	24.99%	0.32	0.30

As at June 30, 2023

Particulars	No. of equity shares held	% of holding	Original cost of investment	Carrying amount of investment
JV Endress + Hauser & Chavare Engineering (JV) Private Limited	24,500	24.99%	0.32	0.31
Gharpure Engg & Const PL - Chavare Engg PL JV		2.55%	0.02	0.01

As at March 31, 2024

Particulars	No. of equity shares held	% of holding	Original cost of investment	Carrying amount of investment
JV Endress + Hauser & Chavare Engineering (JV) Private Limited	24,500	24.99%	0.32	0.30
Gharpure Engg & Const PL - Chavare Engg PL JV *		-	0.02	-

* Ceases to exist w.e.f. August 08, 2023.

As at March 31, 2023

Particulars	No. of equity shares held	% of holding	Original cost of investment	Carrying amount of investment
JV Endress + Hauser & Chavare Engineering (JV) Private Limited	24,500	24.99%	0.32	0.39
Gharpure Engg & Const PL - Chavare Engg PL JV		2.55%	0.02	0.01

As at March 31, 2022

Particulars	No. of equity shares held	% of holding	Original cost of investment	Carrying amount of investment
JV Endress + Hauser & Chavare Engineering (JV) Private Limited	24,500	24.99%	0.32	0.39
Gharpure Engg & Const PL - Chavare Engg PL JV		2.55%	0.02	0.02

The summarised financial information below represents amounts shown in the joint ventures financial statements.

Particulars - JV Endress + Hauser & Chavare Engineering (JV) Private Limited	June 30, 2024	June 30, 2023
Current assets	8.65	11.89
Non-current assets	-	-
Current liabilities	7.54	10.72
Non-current liabilities	-	-
Revenue	-	-
Profit / (loss) for the period	(0.02)	-
Other comprehensive income for the period	-	-
Total comprehensive income for the period	(0.02)	-

Particulars - JV Endress + Hauser & Chavare Engineering (JV) Private Limited	March 31, 2024	March 31, 2023	March 31, 2022
Current assets	11.85	14.90	14.89
Non-current assets	-	-	-
Current liabilities	10.72	13.72	13.71
Non-current liabilities	-	-	-
Revenue	0.02	0.06	8.47
Profit / (loss) for the period	(0.04)	(0.01)	0.01
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	(0.04)	(0.01)	0.01

Particulars - JV Gharpure Engg & Const PL - Chavare Engg PL JV #	June 30, 2023
Current assets	-
Non-current assets	-
Current liabilities	-
Non-current liabilities	-
Revenue	-
Profit / (loss) for the period ^	0.00
Other comprehensive income for the period	-
Total comprehensive income for the period	-

^ represents amount less than 0.01 Million

Ceases to exist w.e.f. August 08, 2023.

Particulars - JV Gharpure Engg & Const PL - Chavare Engg PL JV #	March 31, 2024	March 31, 2023	March 31, 2022
Current assets	-	0.54	0.01
Non-current assets	-	-	1.09
Current liabilities	-	0.40	0.67
Non-current liabilities	-	-	-
Revenue	-	-	-
Profit / (loss) for the period	-	(0.30)	(0.00)
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	(0.30)	(0.00)

Ceases to exist w.e.f. August 08, 2023.

54 Segment reporting

The Group has three principal operating and reporting segments; viz. Waste Water Treatment, Solid Waste Treatment, Automation - Chavare Engineering.

Waste Water Treatment Segment ("WWT") *- Core operations of this segment includes providing design and engineering, technologies, and manufacturing and supply of equipment for the treatment of wastewater. Revenue of WWT segment is primarily from C-Tech technology package which includes design and engineering solutions, advanced technology, and supply of key equipment such as decanters (including its core parts), diffusers, air blowers, fibre disc filters, sludge drying system, and PLC / SCADA-based automation solutions, O&M services and supply of spares for WWT.*

Solid Waste Treatment Segment ("SWT") - *- Core operations of this segment includes providing technology solutions for solid waste treatment comprising design, engineering, turnkey solutions and operations and maintenance. It also includes providing technology solutions comprising design, engineering, turnkey solutions and O&M for processing multiple agricultural biomass to produce biogas, which can be further converted into bio-CNG or electricity.*

Automation - Chavare Engineering *- Cores Operations of this segment includes manufacturing of LV control panels, implementation of PLC & SCADA based automation systems, electrical & automation turnkey projects carried out by Chavare Engineering Pvt. Ltd*

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting:

a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as “Unallocable”.

b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments to the extent those are regularly reviewed or provided to chief operating decision maker. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis and those which are not regularly reviewed nor provided to chief operating decision maker have been disclosed as “Unallocable”.

SFC Environmental Technologies Limited

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Notes to Restated Consolidated Financial Information

CIN: U37003MH2005PLC152235

(Currency: Indian Rupees in Millions, unless otherwise stated)

A) Primary Segment information

Particulars	For quarter ended June 30, 2024					For quarter ended June 30, 2023				
	Waste Water Treatment	Solid Waste Treatment	Automation - Chavare Engineering	Unallocable	Total	Waste Water Treatment	Solid Waste Treatment	Automation - Chavare Engineering	Unallocable	Total
1. Segment Revenue:	519.06	184.97	252.53	-	956.57	441.76	82.12	218.55	-	742.43
Less : Inter-segment revenue	-11.00	-	-4.65	-	-15.65	-	-	-37.04	-	-37.04
Revenue from Operations	**508.06**	**184.97**	**247.88**	**-**	**940.91**	**441.76**	**82.12**	**181.51**	**-**	**705.39**
2. Segment Result before interest, tax & depreciation:	25.87	64.96	30.23	-17.19	103.87	30.95	21.93	-12.88	-0.07	39.93
Inter-segment margins & adjustment for unrealised gains					-5.17					-5.53
Depreciation and amortisation					42.81					18.53
Finance costs					30.00					8.23
Other income					67.04					20.88
Impairment gain					0.29					-
Profit Before Tax and Exceptional Items					**93.22**					**28.51**
Exceptional Item (Net of Tax)					-					-
Profit Before Tax					93.22					28.51
Tax Expense					31.01					17.22
Share in profit/(loss) after tax of joint ventures/associates (net)					2.80					15.51
Profit for the year					**65.01**					**26.81**
Less : Non-controlling interest					*10.61*					*-11.56*
Profit for the year attributable to Owners of the Company					*54.40*					*38.36*
3. Other information										
(i) Segment assets	2,386.51	2,128.22	532.56	3,912.73	8,960.01	1,484.84	1,099.25	521.10	3,965.16	7,070.34
Less : Inter-segment assets & adjustment for unrealised gains					-1,139.54					-1,142.32
Consolidated total assets					**7,820.48**					**5,928.02**
(i) Segment liabilities	377.20	1,054.23	301.89	6,651.02	8,384.33	178.95	732.92	353.33	5,685.41	6,950.61
Less : Inter-segment liabilities & adjustment for unrealised gains					-563.86					-1,022.59
Consolidated Total equity and liabilities					**7,820.48**					**5,928.02**

** For Quarter ended June 30, 2024, an Insurance claim of INR 5.20 Million included in Other Income in Restated Consolidated Statement of Profit and Loss, pertains to WWT segment and hence has been considered in Segment Result before interest, tax & depreciation of WWT for Segment Reporting.*

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Particulars	For year ended March 31, 2024					For year ended March 31, 2023				
	Waste Water Treatment	Solid Waste Treatment	Automation - Chavare Engineering	Unallocable	Total	Waste Water Treatment	Solid Waste Treatment	Automation - Chavare Engineering	Unallocable	Total
1. Segment Revenue:	5,253.32	501.88	932.93	-	6,688.13	3,773.76	733.42	737.61	-	5,244.79
Less : Inter-segment revenue	-	-	-104.21	-	-104.21	-	-	-47.92	-	-47.92
Revenue from Operations	**5,253.32**	**501.88**	**828.72**	**-**	**6,583.92**	**3,773.76**	**733.42**	**689.69**	**-**	**5,196.86**
										-
2. Segment Result before interest, tax & depreciation:	1,716.31	170.08	49.44	-0.33	1,935.50	906.30	276.63	31.27	-0.29	1,213.91
Inter-segment margins & adjustment for unrealised gains					-4.74					26.81
Depreciation and amortisation					124.58					59.08
Finance costs					88.26					36.04
Other income					190.71					113.78
Impairment gain					1.79					-
Profit Before Tax and Exceptional Items					**1,910.41**					**1,259.38**
Exceptional Item (Net of Tax)										-
Profit Before Tax					1,910.41					1,259.38
Tax Expense					492.74					324.42
Share in profit/(loss) after tax of joint ventures/associates (net)					24.06					13.13
Profit for the year					**1,441.73**					**948.09**
Less : Non-controlling interest					*25.66*					*9.28*
Profit for the year attributable to Owners of the Company					*1,416.07*					*938.81*
3. Other information										
(i) Segment assets	3,536.16	2,195.21	502.31	4,031.01	10,264.69	2,035.75	1,083.10	451.01	3,822.94	7,392.79
Less : Inter-segment assets & adjustment for unrealised gains					-1,206.58					-992.68
Consolidated total assets					**9,058.11**					**6,400.11**
(i) Segment liabilities	305.69	1,184.77	293.32	7,909.87	9,693.66	108.74	703.25	269.06	6,172.96	7,254.02
Less : Inter-segment liabilities & adjustment for unrealised gains					-635.55					-853.91
Consolidated Total equity and liabilities					**9,058.11**					**6,400.11**

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(Currency: Indian Rupees in Millions, unless otherwise stated)

Particulars	For year ended March 31, 2022				
	Waste Water Treatment	Solid Waste Treatment	Automation - Chavare Engineering	Unallocable	Total
1. Segment Revenue:	3,088.16	1,346.81	607.49	-	5,042.46
Less : Inter-segment revenue	-	-	-75.12	-	-75.12
Revenue from Operations	**3,088.16**	**1,346.81**	**532.37**	**-**	**4,967.34**
					-
2. Segment Result before interest, tax & depreciation:	694.90	389.11	13.32	-0.25	1,097.08
Inter-segment margins & adjustment for unrealised gains					-37.93
Depreciation and amortisation					49.32
Finance costs					39.22
Other income					142.76
Impairment gain					28.87
Profit Before Tax and Exceptional Items					**1,142.24**
Exceptional Item (Net of Tax)					-
Profit Before Tax					1,142.24
Tax Expense					318.29
Share in profit/(loss) after tax of joint ventures/associates (net)					27.65
Profit for the year					**851.60**
Less : Non-controlling interest					*13.11*
Profit for the year attributable to Owners of the Company					*838.49*
3. Other information					
(i) Segment assets	1,409.74	780.96	393.30	3,517.50	6,101.50
Less : Inter-segment assets & adjustment for unrealised gains					-910.38
Consolidated total assets					**5,191.12**
(i) Segment liabilities	159.43	593.17	230.52	4,950.36	5,933.48
Less : Inter-segment liabilities & adjustment for unrealised gains					-742.36
Consolidated Total equity and liabilities					**5,191.12**

(Currency: Indian Rupees in Millions, unless otherwise stated)

B) Secondary Segment Information

Particulars	For Quarter ended June 30, 2024			For Quarter ended June 30, 2023			For year ended March 31, 2024		
	India	Other Foreign Countries	Total	India	Other Foreign Countries	Total	India	Other Foreign Countries	Total
External Revenue	892.00	48.91	940.91	680.14	25.25	705.39	6,376.15	207.77	6,583.92
Non Current Assets*	1,229.42	3.79	1,233.20	796.19	9.38	805.57	1,197.43	3.80	1,201.23

Particulars	For year ended March 31, 2023			For year ended March 31, 2022		
	India	Other Foreign Countries	Total	India	Other Foreign Countries	Total
External Revenue	4,925.69	271.17	5,196.86	4,553.91	413.42	4,967.34
Non Current Assets*	640.13	4.00	644.13	596.68	5.30	601.98

*Non-Current assets exclude financial instruments and deferred tax assets.

(Currency: Indian Rupees in Millions, unless otherwise stated)

55 Fair values of financial assets and financial liabilities

The fair value of loans, cash and cash equivalents, trade receivables, other current financial assets, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.
Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
•Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
•Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
•Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
No financial assets/liabilities have been valued using level 1 fair value measurements.
The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

As at June 30, 2024

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Quoted Price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets								
Trade receivables - Non-current	-	-	200.68	200.68	-	-	200.68	200.68
Investments - Non-current	-	-	51.49	51.49	-	-	51.49	51.49
Loans - Non-current	-	-	80.00	80.00	-	-	80.00	80.00
Other financial assets - Non-current	-	-	159.51	159.51	-	-	159.51	159.51
Trade receivables - Current	-	-	2,423.63	2,423.63	-	-	2,423.63	2,423.63
Cash and cash equivalents - Current	-	-	155.56	155.56	-	-	155.56	155.56
Other bank balance - Current	-	-	1,624.06	1,624.06	-	-	1,624.06	1,624.06
Loans - Current	-	-	301.44	301.44	-	-	301.44	301.44
Other Financial Asset - Current	-	-	151.22	151.22	-	-	151.22	151.22
Financial Liabilities								
Borrowings - Non Current	-	-	567.33	567.33	-	563.43	3.90	567.33
Lease Liability - Non Current	-	-	97.36	97.36	-	-	97.36	97.36
Borrowings - Current	-	-	301.89	301.89	-	184.99	116.90	301.89
Lease Liability - Current	-	-	28.84	28.84	-	-	28.84	28.84
Trade payables	-	-	694.40	694.40	-	-	694.40	694.40
Other Financial Liabilities - Current	-	-	83.11	83.11	-	-	83.11	83.11

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As at June 30, 2023

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Quoted Price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets								
Trade receivables - Non-current	-	-	192.47	192.47	-	-	192.47	192.47
Investments - Non-current	-	-	373.11	373.11	-	-	373.11	373.11
Loans - Non-current	-	-	-	-	-	-	-	-
Other financial assets - Non-current	-	-	490.17	490.17	-	-	490.17	490.17
Trade receivables - Current	-	-	1,578.85	1,578.85	-	-	1,578.85	1,578.85
Cash and cash equivalents - Current	-	-	92.93	92.93	-	-	92.93	92.93
Other bank balance - Current	-	-	1,290.49	1,290.49	-	-	1,290.49	1,290.49
Loans - Current	-	-	63.30	63.30	-	-	63.30	63.30
Other Financial Asset - Current	-	-	25.01	25.01	-	-	25.01	25.01
Financial Liabilities								
Borrowings - Non Current	-	-	3.90	3.90	-	-	3.90	3.90
Lease Liability - Non Current	-	-	15.17	15.17	-	-	15.17	15.17
Borrowings - Current	-	-	841.43	841.43	-	807.46	33.97	841.43
Lease Liability - Current	-	-	9.96	9.96	-	-	9.96	9.96
Trade payables	-	-	562.07	562.07	-	-	562.07	562.07
Other Financial Liabilities - Current	-	-	43.21	43.21	-	-	43.21	43.21

As at March 31, 2024

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Quoted Price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets								
Trade receivables - Non-current	-	-	199.20	199.20	-	-	199.20	199.20
Investments - Non-current	-	-	48.69	48.69	-	-	48.69	48.69
Loans - Non-current	-	-	80.00	80.00	-	-	80.00	80.00
Other financial assets - Non-current	-	-	159.60	159.60	-	-	159.60	159.60
Trade receivables - Current	-	-	3,745.93	3,745.93	-	-	3,745.93	3,745.93
Cash and cash equivalents - Current	-	-	77.32	77.32	-	-	77.32	77.32
Other bank balance - Current	-	-	1,808.74	1,808.74	-	-	1,808.74	1,808.74
Loans - Current	-	-	201.98	201.98	-	-	201.98	201.98
Other Financial Asset - Current	-	-	141.46	141.46	-	-	141.46	141.46
Financial Liabilities								
Borrowings - Non Current	-	-	461.05	461.05	-	104.82	356.23	461.05
Lease Liability - Non Current	-	-	104.82	104.82	-	-	104.82	104.82
Borrowings - Current	-	-	845.62	845.62	-	79.44	766.19	845.62
Lease Liability - Current	-	-	28.02	28.02	-	-	28.02	28.02
Trade payables	-	-	1,107.14	1,107.14	-	-	1,107.14	1,107.14
Other Financial Liabilities - Current	-	-	230.16	230.16	-	-	230.16	230.16

(Currency: Indian Rupees in Millions, unless otherwise stated)

As at March 31, 2023

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Quoted Price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets								
Trade receivables - Non-current	-	-	184.13	184.13	-	-	184.13	184.13
Investments - Non-current	190.23	-	357.67	547.90	-	190.23	357.67	547.90
Loans - Non-current	-	-	61.61	61.61	-	-	61.61	61.61
Other financial assets - Non-current	-	-	263.99	263.99	-	-	263.99	263.99
Trade receivables - Current	-	-	2,198.25	2,198.25	-	-	2,198.25	2,198.25
Cash and cash equivalents - Current	-	-	226.48	226.48	-	-	226.48	226.48
Other bank balance - Current	-	-	1,020.75	1,020.75	-	-	1,020.75	1,020.75
Loans - Current			20.14	20.14	-	-	20.14	20.14
Other Financial Asset - Current	-	-	8.61	8.61	-	-	8.61	8.61
Financial Liabilities								
Borrowings - Non Current	-	-	3.90	3.90	-	-	3.90	3.90
Lease Liability - Non Current	-	-	13.71	13.71	-	-	13.71	13.71
Borrowings - Current	-	-	460.18	460.18	-	-	460.18	460.18
Lease Liability - Current	-	-	11.68	11.68	-	-	11.68	11.68
Trade payables	-	-	1,077.71	1,077.71	-	-	1,077.71	1,077.71
Other Financial Liabilities - Current	-	-	84.31	84.31	-	-	84.31	84.31

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)
Annexure VII
Notes to Restated Consolidated Financial Information
CIN: U37003MH2005PLC152235
(Currency: Indian Rupees in Millions, unless otherwise stated)

As at March 31, 2022

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Quoted Price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets								
Trade receivables - Non-current	-	-	117.26	117.26	-	-	117.26	117.26
Investments - Non-current	186.00	-	307.32	493.32	-	186.00	307.32	493.32
Loans - Non-current	-	-	2.68	2.68	-	-	2.68	2.68
Other financial assets - Non-current		-	246.95	246.95	-	-	246.95	246.95
Trade receivables - Current	-	-	1,685.85	1,685.85	-	-	1,685.85	1,685.85
Cash and cash equivalents - Current	-	-	264.17	264.17	-	-	264.17	264.17
Other bank balance - Current	-	-	915.62	915.62	-	-	915.62	915.62
Loans - Current	-	-	85.83	85.83	-	-	85.83	85.83
Other Financial Asset - Current			39.99	39.99			39.99	39.99
Financial liabilities								
Borrowings - Non Current	-	-	6.54	6.54	-	-	6.54	6.54
Lease Liability - Non Current	-	-	7.92	7.92	-	-	7.92	7.92
Borrowings - Current	-	-	373.26	373.26	-	-	373.26	373.26
Lease Liability - Current	-	-	3.93	3.93	-	-	3.93	3.93
Trade payables	-	-	804.94	804.94	-	-	804.94	804.94
Other Financial Liabilities - Current	-	-	52.43	52.43	-	-	52.43	52.43

The carrying amount of cash and cash equivalents, trade receivables, trade payables, lease liabilities, other payables and short-term borrowings are considered to be the same as their fair values.

(Currency: Indian Rupees in Millions, unless otherwise stated)

56 Risk management Framework

The Group's principal financial liabilities comprises of of borrowings, lease liabilities, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group’s operations. The Group's principal financial assets include investments, loans, trade receivables, cash and cash equivalents, other bank balances and other financial assets that derive directly from its operations. The Group is exposed preliminary to market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets & seek to minimize potential adverse effects on its financial performance.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and price risk. The Group's exposure to market risk is on account of foreign currency risk and interest rate risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s borrowings with floating interest rates.The fixed rate borrowings are carried at amortised cost, hence, they are not subject to interest rate risk since the carrying amount and future cash flows will not fluctuate because of change in market interest rates. The exposure of the Group's borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Variable rate borrowings	865.32	841.43	1,302.78	460.18	373.26
Fixed rate borrowings	3.90	3.90	3.90	3.90	6.54
Total	**869.22**	**845.33**	**1,306.68**	**464.08**	**379.79**

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Group’s profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ decrease in basis points	Effect on profit after tax	Effect on Equity
For period ended June 30, 2024			
INR	+100	0.19	0.19
INR	-100	(0.19)	(0.19)
For period ended June 30, 2023			
INR	+100	0.05	0.05
INR	-100	(0.05)	(0.05)

(Currency: Indian Rupees in Millions, unless otherwise stated)

For period ended March 31, 2024			
INR	+100	0.48	0.48
INR	-100	(0.48)	(0.48)
For Year period March 31, 2023			
INR	+100	0.14	0.14
INR	-100	(0.14)	(0.14)
For Year period March 31, 2022			
INR	+100	0.13	0.13
INR	-100	(0.13)	(0.13)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency.

Exposure to currency risk

The Group's exposure to currency risk is as follows

Exposure to currency risk	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Financial Assets					
Net financial assets- USD	31.49	41.41	41.84	41.11	218.29
Net financial assets- Euro	1.61	0.62	0.72	-	-
Net financial assets- Other currencies	0.31	0.05	0.36	-	-
	33.42	42.08	42.93	41.11	218.29
Financial liabilities					
Net financial liabilities- USD	468.97	197.03	775.02	596.35	409.66
Net financial liabilities- Euro	0.34	18.58	1.84	(12.82)	14.27
Net financial liabilities- Other currencies	-	-	-	-	-
	469.31	215.60	776.86	583.53	423.93
Net exposure	435.89	173.52	733.93	542.42	205.65

(Currency: Indian Rupees in Millions, unless otherwise stated)

Foreign currency sensitivity

The following table demonstrates the sensitivity in INR with all other variables held constant. The below impact on the Group's profit/(loss) after tax and on the Group's equity is based on changes in the fair value of unhedged foreign currency monetary assets at balance sheet date:

	Effect on profit after tax	
	Strengthening	**Weakening**
As at June 30, 2024		
USD (10% Movement)	(32.74)	32.74
EURO (10% Movement)	0.10	(0.10)
As at June 30, 2023		
USD (10% Movement)	(11.65)	11.65
EURO (10% Movement)	(1.34)	1.34
As at March 31, 2024		
USD (10% Movement)	(54.86)	54.86
EURO (10% Movement)	(0.08)	0.08
As at March 31, 2023		
USD (10% Movement)	(41.55)	41.55
EURO (10% Movement)	0.96	(0.96)
As at March 31, 2022		
USD (10% Movement)	(14.32)	14.32
EURO (10% Movement)	(1.07)	1.07

	Effect on equity	
	Strengthening	**Weakening**
As at June 30, 2024		
USD (10% Movement)	(32.74)	32.74
EURO (10% Movement)	0.10	(0.10)
As at June 30, 2023		
USD (10% Movement)	(11.65)	11.65
EURO (10% Movement)	(1.34)	1.34

(Currency: Indian Rupees in Millions, unless otherwise stated)

As at March 31, 2024		
USD (10% Movement)	(54.86)	54.86
EURO (10% Movement)	(0.08)	0.08
As at March 31, 2023		
USD (10% Movement)	(41.55)	41.55
EURO (10% Movement)	0.96	(0.96)
As at March 31, 2022		
USD (10% Movement)	(14.32)	14.32
EURO (10% Movement)	(1.07)	1.07

(B) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms and obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and credit worthiness of the customer on continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The financial instruments that are subject to concentration of credit risk principally consist of trade receivables and cash and bank equivalents.

To manage credit risk, the Group follows a policy of providing credit to its customers based on prevailing market credit terms. The credit limit policy is established considering the current economic trend of the industry in which the Group is operating. Also, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly. These receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

The Group recognises lifetime expected credit losses on trade receivable using simplified approach by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in provision matrix.

(Currency: Indian Rupees in Millions, unless otherwise stated)

Particulars	Quarter ended June 30, 2024	Quarter ended June 30, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Impairment losses on financial assets recognised profit & loss were as follows:					
Impairment loss/(gain) on trade receivables arising from contracts with customer	(0.04)	0.34	1.00	4.24	(28.87)

The following table provides information about the exposure to credit risk and ECL's for trade receivables

Trade Receivable as at June 30, 2024

Ageing	Average loss rate	Gross Carrying Amount	Allowance for expected credit loss	Net Carrying Amount
Unbilled	-	13.43	-	13.43
Not due	-	-	-	-
Less than 6 months	0.00%	1,566.08	-	1,566.08
6 months-1 Year	0.19%	249.11	(0.46)	248.64
1-2 years	0.59%	228.70	(1.35)	227.34
2-3 years	0.39%	337.14	(1.31)	335.82
More than 3 years	73.80%	123.30	(90.99)	32.30
Total		**2,517.75**	**(94.12)**	**2,423.63**

Trade Receivable as at June 30, 2023

Ageing	Average loss rate	Gross Carrying Amount	Allowance for expected credit loss	Net Carrying Amount
Unbilled	-	46.40	-	46.40
Not due	-	-	-	-
Less than 6 months	0.19%	952.96	(1.86)	951.10
6 months-1 Year	0.06%	114.16	(0.07)	114.10
1-2 years	0.11%	408.50	(0.44)	408.06
2-3 years	1.22%	27.45	(0.33)	27.12
More than 3 years	73.69%	121.90	(89.83)	32.07
Total		**1,671.38**	**(92.53)**	**1,578.85**

Trade Receivable as at March 31, 2024

Ageing	Average loss rate	Gross Carrying Amount	Allowance for expected credit loss	Net Carrying Amount
Unbilled	-	-	-	-
Not due	-	-	-	-

Less than 6 months	-0.13%	1,427.83	1.79	1,429.62
6 months-1 Year	0.21%	53.95	(0.11)	53.84
1-2 years	0.74%	430.72	(3.18)	427.54
2-3 years	0.74%	287.23	(2.12)	285.11
More than 3 years	75.48%	119.95	(90.54)	29.41
Total		**2,319.69**	**(94.17)**	**2,225.52**

Trade Receivable as at March 31, 2023

Ageing	Average loss rate	Gross Carrying Amount	Allowance for expected credit loss	Net Carrying Amount
Unbilled	-	-	-	-
Not due	-	-	-	-
Less than 6 months	0.11%	1,642.72	(1.86)	1,640.87
6 months-1 Year	0.04%	164.80	(0.07)	164.73
1-2 years	0.13%	341.97	(0.45)	341.51
2-3 years	1.69%	21.14	(0.36)	20.79
More than 3 years	74.66%	119.79	(89.44)	30.35
Total		**2,290.43**	**(92.19)**	**2,198.25**

Trade Receivable as at March 31, 2022

Ageing	Average loss rate	Gross Carrying Amount	Allowance for expected credit loss	Net Carrying Amount
Unbilled	-	-	-	-
Not due	-	-	-	-
Less than 6 months	0.10%	1,192.26	(1.25)	1,191.01
6 months-1 Year	0.01%	416.19	(0.06)	416.13
1-2 years	0.64%	24.80	(0.16)	24.64
2-3 years	0.88%	17.86	(0.16)	17.70
More than 3 years	70.35%	122.69	(86.32)	36.37
Total		**1,773.80**	**(87.95)**	**1,685.85**

(Currency: Indian Rupees in Millions, unless otherwise stated)

Movement Table of allowance for impairment

The Movement in the allowance for impairment in respect of trade receivables during the period was as follows:

Particulars	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Opening Balance	94.17	92.19	92.19	87.95	116.82
Opening Balance of Acquired Subsidiary	-	-	0.98	-	-
Provision for the period	(0.04)	0.34	1.00	4.24	(28.87)
Closing Balance	94.12	92.53	94.17	92.19	87.95

(Currency: Indian Rupees in Millions, unless otherwise stated)

(C) Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to maintain optimum levels of liquidity and to ensure that funds are available for use as per requirement.

The liquidity risk principally arises from obligations on account of financial liabilities viz. borrowings, trade payables and other financial liabilities.

The corporate finance department of the Group is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

Exposure to liquidity risk

The table below summarizes the maturity profile of the Group's financial liabilities:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

As at June 30, 2024	Within 1 year	1 to 5 years	More than 5 years	Total
Borrowings	893.15	436.64	151.76	1,481.55
Trade payables	692.10	2.30	-	694.40
Lease liabilities	39.46	113.33	0.60	153.39
Other financial liabilities	83.11	-	-	83.11
	1,707.82	552.27	152.36	2,412.45

As at June 30, 2023	Within 1 year	1 to 5 years	More than 5 years	Total
Borrowings	988.35	7.80	-	996.15
Trade payables	559.53	2.54	-	562.07
Lease liabilities	10.29	16.55	1.80	28.64
Other financial liabilities	43.21	-	-	43.21
	1,601.38	26.89	1.80	1,630.07

As at March 31, 2024	Within 1 year	1 to 5 years	More than 5 years	Total
Borrowings	891.91	414.74	175.26	1,896.65
Trade payables	1,083.93	20.04	-	1,124.01
Lease liabilities	39.26	123.37	1.48	287.48
Other financial liabilities	230.16	-	-	230.16
	2,245.26	558.16	176.74	3,538.31

As at March 31, 2023	Within 1 year	1 to 5 years	More than 5 years	Total
Borrowings	460.18	3.90	-	467.98
Trade payables	1,074.35	3.36	-	1,081.07

(Currency: Indian Rupees in Millions, unless otherwise stated)

Lease liabilities	9.17	15.49	0.73	40.87
Other financial liabilities	84.31	-	-	84.31
	1,628.01	22.75	0.73	1,674.24

As at March 31, 2022	**Within 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
Borrowings	373.89	5.90	-	385.69
Trade payables	802.27	2.68	-	807.62
Lease liabilities	3.93	5.83	2.09	17.68
Other financial liabilities	52.43	-	-	52.43
	1,232.52	14.41	2.09	1,263.42

(Currency: Indian Rupees in Millions, unless otherwise stated)

57 Secured Borrowing

The Group has entered into various borrowing facilities from various Banks, for various purposes. Disclosure in respect of term loan pursuant to Indian Accounting Standards 109 on 'Financial Instruments' pertaining current and non current are as follows :

i. Loan taken from Axis Bank for purpose of purchase of commercial property at floating rate of Repo Rate + 2.25% for a period of 84 months.

ii. Loan taken from Axis Bank for purpose of repayment of unsecured loan at floating rate of Repo Rate + 2.25% for a period of 84 months.

iii. Loan taken from ICICI Bank for the purpose of working capital at floating rate of Repo Rate + 2.50% for a period of 60 months.

iv. Overdraft facility has been received from various banks, for the purpose of working capital with interest rate ranging from 7% to 9.50% p.a., which is repayable on demand. The said overdrafts are against primary security of lien of fixed or time Deposits, primary hypothecation of current assets, guest houses, movable fixed assets, investment properties, collateral of office premises.

	June 30, 2024	June 30, 2023	March 31, 2024	March 31, 2023	March 31, 2022
Non Current	563.43	-	457.15	-	-
Current	285.77	826.43	829.50	460.18	373.26
TOTAL	**849.20**	**826.43**	**1,286.66**	**460.18**	**373.26**

58 Leases

As a Leasee

a The Group has entered into Finance Lease agreements as a lessee. Disclosure in respect of leases pursuant to Indian Accounting Standards 116 on 'Leases' pertaining to minimum lease rentals and the future minimum lease payments are as follows :

Right of Use Asset	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the period	128.46	24.13	24.13	11.25	7.76
Additions during the period	-	2.05	128.13	20.94	5.71
Deletions during the period	-	-	-	-	-
Amortisation of ROU	(8.31)	(2.98)	(23.80)	(8.05)	(2.22)
Balance as at the end of the period	**120.15**	**23.19**	**128.46**	**24.13**	**11.25**

Lease Liabilities	As at June 30, 2024	As at June 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Current	28.84	9.96	28.02	11.68	3.93
Non - Current	97.36	15.17	104.82	13.71	7.92
Total Lease Liabilities	**126.19**	**25.13**	**132.85**	**25.38**	**11.85**

b Following are the carrying value of right of use assets for the period ended June 30, 2024; June 30, 2023; March 31, 2024; March 31, 2023 and March 31, 2022. Please refer note no. 6 for detailed presentation of fair value of right of use assets c Impact of adoption of Ind AS 116 is as follows:

(Currency: Indian Rupees in Millions, unless otherwise stated)

Particulars	**Quarter ended June 30, 2024**	**Quarter ended June 30, 2023**	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**For Year ended March 31, 2022**
Decrease in lease rentals by	(9.71)	(3.23)	(26.35)	(9.40)	(2.79)
Increase in finance cost by	3.11	1.02	8.00	2.00	0.92
Increase in depreciation by	8.25	2.92	22.86	8.05	2.22
Net impact on profit/loss	**1.66**	**0.71**	**4.51**	**0.65**	**0.36**

Maturity analysis of lease liabilities– contractual undiscounted cash flows:

d

Particulars	**Quarter ended June 30, 2024**	**Quarter ended June 30, 2023**	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**For Year ended March 31, 2022**
Less than one year	39.46	10.29	40.23	7.90	9.66
One to five year	113.33	16.55	107.87	25.95	7.46
More than five year	0.60	1.80	1.50	0.73	2.09
Total undiscounted lease liabilities as at	**153.39**	**28.64**	**257.47**	**60.53**	**26.67**

Discounted lease liabilities are included in the statement of financial position

e The total cash outflow for leases for period ended	9.71	3.23	26.35	9.40	2.79

General Description of leasing agreements:

Leased Assets: Buildings

Future Lease rentals are determined on the basis of agreed terms.

At the expiry of lease terms, the Group has an option to return the assets or extend the term by giving notice in writing

Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.

59 Corporate social responsibility

The Group has constituted a Corporate Social Responsibility (CSR) Committee as per Section 135 and schedule VII of the Companies Act, 2013 (the Act) read with the Companies (Corporate Social Responsibility Policy) Rules 2014.

The funds are utilised during the period on the activities which are specified in Schedule VII of the Act. The utilisation is done by way of direct contribution towards promoting education & health care, woman empowerment and contribution to Prime Minister's National Relief Fund.

The details set below are for the amount spent by the Group

A. Gross Amount required to be spent by the Group during the year : Rs.27.30 (in Millions)

B Amount spent during the period:

Particulars	**In Cash/Bank**	**Yet to be paid in Cash/Bank**	**Total**
(i) Construction/acquisition of any assets	-	-	**-**
(ii) On purpose other than (i) above	0.54	-	**0.54**

Particulars	**Quarter Ended June 30, 2024**	**Quarter Ended June 30, 2023**	**Year Ended March 31, 2024**	**Year Ended March 31, 2023**	**Year Ended March 31, 2022**
Amount required to be spent by the Group during the p	27.30	17.94	17.94	12.94	7.39
Amount of expenditure incurred	0.54	2.00	18.05	12.95	7.40
Shortfall/(Excess) at the end of the period	26.76	15.94	(0.10)	(0.01)	(0.01)
Total of previous years Excess/(shortfall)	0.12	0.02	0.02	0.01	-
Reason for shortfall	Refer Note (i)	Refer Note (i)	NA	NA	NA
Nature of CSR activities	Contribution to promoting health care	Contribution to promoting health care	Contribution to promoting education & health care, woman empowerment and contribution to Prime Minister's National Relief Fund	Contribution to the Prime Minister's National Relief Fund	Contribution to the Prime Minister's National Relief Fund
Details of related party transactions	NA	NA	NA	NA	NA
Provision for CSR	-	-	-	-	-
Carried Forward For next period	-	-	0.12	0.02	0.01

Note:

(i) During the quarter ended June 30, 2024 and June 30, 2023, the Group had spent Rs. 0.54 million and Rs. 2.00 million respectively as against mandatory requirement of Rs. 27.30 million and Rs. 17.94 million respectively. The Group has time till March 31, 2025 and March 31, 2024 to comply with the provisions of the

(Currency: Indian Rupees in Millions, unless otherwise stated)

60 Capital management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the period ended June 30, 2024; June 30, 2023; March 31, 2024; March 31, 2023 and March 31, 2022.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

The amount managed as capital by the Group are summarised as follows:

Particulars	**June 30, 2024**	**June 30, 2023**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Borrowings	869.22	845.33	1,306.68	464.08	379.79
Lease Liability	126.19	25.13	132.85	25.38	11.85
Less: cash and cash equivalent	(155.56)	(92.93)	(77.32)	(226.48)	(264.17)
Net Debt	839.85	777.53	1,362.20	262.99	127.47
Total equity attributable to the Group	5,267.71	3,999.65	5,342.96	3,954.16	3,288.24
Gear Ratio	**0.16**	**0.19**	**0.25**	**0.07**	**0.04**

The Group's key objective in managing its financial structure is to maximize value for shareholders, reduce cost of capital, while at the same time ensuring that the Group has the financial flexibility required to continue its expansion.

61 Events Occurring After The Reporting Period

i) The company has changed its name from "SFC Environmental Technologies Private Limited" to "SFC Environmental Technologies Limited", and a fresh certificate of incorporation consequent to change of name was issued by RoC on August 13, 2024.

ii) The authorized share capital was increased from 1,74,00,000 equity shares of Rs. 10 each amounting to Rs. 174 million to 12,50,00,000 equity shares of Rs. 2 each amounting to Rs. 250 million which was duly approved by the board in meeting dated August 14, 2024 and by the shareholders of the Company by means of an ordinary resolution dated September 05, 2024.

iii) Company has split the face value of its share from Rs. 10 per share to Rs. 2 per share. This results in increase of total equity shares to 3,11,37,090 shares.

iv) Company has issued 6,22,74,180 equity shares of Rs. 2 each as bonus shares in ratio of 2:1 to the existing equity shareholders. This has been approved by Board and Shareholders on September 5, 2024.

v) The shareholders of the Company have vide their special resolution dated September 5, 2024 approved the SFC Employee Stock Option Scheme 2024 (“Scheme”) authorizing grant of not exceeding 1,86,822 (One Lac Eighty Six Thousand Eight Hundred and Twenty Two) Options in aggregate representing 3% of the paid up equity share capital of the Company on fully diluted basis as on 31st March 2024 (or such other adjusted figure for any bonus, stock split or consolidation or reorganization of the capital structure of the company as may be applicable from time to time) Options to the eligible Employees in one or more tranches, from time to time, which in aggregate shall be exercisable into not more than exceeding 1,86,822 (One Lac Eighty Six Thousand Eight Hundred and Twenty Two) Equity Shares in aggregate representing 3% of the paid up equity share capital of the Company on fully diluted basis as on 31st March 2024 (or such other adjusted figure for any bonus, stock split or consolidation or reorganization of the capital structure of the company as may be applicable from time to time), with each such Option conferring a right upon the Employees to apply for one Share in the Company in accordance with the terms and conditions as may be decided under the Scheme.

vi) The Company has acquired additional equity shares of Vasudha Waste Treatment Private Limited, an existing subsidiary of the Company, now making it a wholly owned subsidiary of the Company.

vii) The company has made additional investment in equity shares of associate company i.e. Turbomax India Private Limited. Since the additional investment made in the associate company is in same proportion with the existing shareholding % of the company, there is no change in the % holding of the company.

62 Investment in Subsidiary

Acquisition of Hindustan Waste Treatment Private Limited ("HWTPL")

On October 05, 2023, the Group acquired control over HWTPL, associate company (49% equity stake) through acquisition of balance 31% of the equity shares. HWTPL is an unlisted company specialising in the business of design, engineering, fabrication, procurement, equipment supply, erection & commissioning of Municipal Solid Waste (MSW) treatment plants based on different variants of PPP model such as Built Own Operate Transfer (BOOT), Design Built Finance Operate Transfer (DBFOT) or cash contracts such as EPC and Annuity projects and it render all type of services in relation to treatment of municipal solid waste. It also carries out operation and maintenance services of MSW plant, processing / treating waste to separate recyclables, convert waste into sustainable energy, generating compost, generating Refused Derived Fuel and remediation/ bio mining of legacy waste dumpsites. The acquisition has been accounted by applying the acquisition method and accordingly the underlying assets, liabilities, equity, income, expenses and cash flows of HWTPL have been combined after giving effect to necessary adjustments in the Consolidated Financial Statements.

(Currency: Indian Rupees in Millions, unless otherwise stated)

Gain on Bargain Purchase disclosure as on date of acquisition

Particulars	Amount	Amount
Acquisition date fair value of Net Assets		678.61
Proportionate share (80%) in fair value of net assets of HWTPL on the date of acquisition (A)		542.89
Carrying value of Group’s 49% stake in HWTPL as on the acquisition date (B)	332.52	
Consideration paid in cash (C)	151.96	
Fair value of consideration (D= B + C)		484.48
Gain on Bargain Purchase (C= A - D)		58.41

63 Revenue from contracts with customers in case of Service Concession agreement

The Company (Vasudha Waste Treatment Pvt. Ltd) , is engaged in the business of integrated waste management. The Company has entered into service concession arrangement with governmental authorities to Design, Build, Finance, Operate, Transfer (DBFOT) basis at facility at Cacora South Goa District. The Goa Waste Management Corporation (GWMC) on 20 February 2020 granted the Company a concession for a period of 10 years.

The Company will be paid for its services over the period of the service concession arrangement at prices determined in the concession arrangement.

For the above arrangement, the Company has a contractual right under the concession arrangements to receive a fixed and determinable amount of payments during the concession period. Over and above the fixed and determinable payments the Company has a right to charge the governmental authorities for the services rendered in excess of minimum guarantee.

Service concession arrangement states the rights and obligations for the Company as follows:

(a) to design, engineer, finance, construct, supply, install, commission, operate and maintain the plant;

(b) upon commissioning of the plant , to manage, operate and maintain the same;

(c) receive Municipal Solid Waste (MSW) from GWMC (or a person authorized by GWMC) at the site;

(d) to inspect the MSW delivered by GWMC and identify and segregate-any non conforming waste and take and manage as per the provisions of the agreement;

(e) to process MSW at the Plant;

(f) to undertake repair and maintenance of the plant for MSW processing and disposal in accordance with the provisions of the agreement

(h) to transfer the plant to GWMC at the end of the term or on termination, in accordance with the provisions of the agreement; and

(i) To borrow or raise money or funding required for the due implementation of the project without mortgaging the site;

The service concession arrangement has been accounted under financial assets model. The Company recognizes financial asset arising from service concession arrangement to the extent it has an unconditional contractual right to receive payment. Financial assets are initially recognized at their fair value. Subsequent to initial recognition

- Financial assets are recognized at amortized cost

(Currency: Indian Rupees in Millions, unless otherwise stated)

64 Ratio analysis

Ratios	Numerator	Denominator	Quarter ended June 30, 2024	Quarter ended June 30, 2023	% change	Remarks
Current Ratio (times)	Current assets	Current Liabilities	4.11	2.38	72.87%	Mainly due to relative increase in working capital
Debt to Equity Ratio (times)	Total Debt	Total Equity	0.16	0.21	-24.00%	NA
Debt Service Coverage Ratio (times)	Earnings available for debt service	Debt Service	6.07	7.54	-19.44%	NA
Return on Equity Ratio (%)	Net profit after taxes	Average Total Equity	1.35%	0.55%	144.12%	Mainly due to increase in profits
Inventory Turnover Ratio (times)	Cost of Goods Sold	Average Inventory	0.50	0.48	4.41%	NA
Trade receivable Turnover Ratio (times)	Revenue from operations	Average Trade receivable	0.43	0.25	73.47%	Mainly due to increase in sales
Trade payable Turnover Ratio (times)	Cost of Goods Sold	Average Trade Payables	0.77	0.55	39.69%	Mainly due to increase in purchases
Net capital turnover ratio (times)	Revenue from operations	Working Capital	0.21	0.30	-31.54%	Mainly due to relative increase in working capital
Net profit ratio (%)	Net profit after taxes	Revenue from operations	6.91%	3.80%	81.82%	Mainly due to increase in revenue and increase in profits.
Return on capital employed (%)	Earning before interest and taxes	Capital Employed	1.92%	0.74%	158.70%	Mainly due to increase in earnings
Return on investment (%)	Income from Fixed Deposits	Average Fixed Deposits	0.91%	0.26%	248.02%	Mainly due to improved yields on current investments during current period

(Currency: Indian Rupees in Millions, unless otherwise stated)

Ratios	Numerator	Denominator	Year Ended March 31, 2024	Year Ended March 31, 2023	% change	Remarks
Current Ratio (times)	Current assets	Current Liabilities	2.66	2.13	24.86%	NA
Debt to Equity Ratio (times)	Total Debt	Total Equity	0.23	0.11	103.92%	Mainly due to term loan from bank availed during the year
Debt Service Coverage Ratio (times)	Earnings available for debt service	Debt Service	26.77	39.73	-32.62%	Mainly due to term loan from bank availed during the year
Return on Equity Ratio (%)	Net profit after taxes	Average Total Equity	29.80%	25.44%	17.12%	NA
Inventory Turnover Ratio (times)	Cost of Goods Sold	Average Inventory	3.71	5.04	-26.37%	Mainly due to relative increase in closing inventory
Trade receivable Turnover Ratio (times)	Revenue from operations	Average Trade receivable	2.08	2.48	-16.20%	NA
Trade payable Turnover Ratio (times)	Cost of Goods Sold	Average Trade Payables	3.10	3.20	-3.35%	NA
Net capital turnover ratio (times)	Revenue from operations	Working Capital	1.45	2.11	-31.52%	Mainly due to relative increase in working capital
Net profit ratio (%)	Net profit after taxes	Revenue from operations	21.90%	18.24%	20.03%	NA
Return on capital employed (%)	Earning before interest and taxes	Capital Employed	28.91%	28.57%	1.20%	NA
Return on investment (%)	Income from Fixed Deposits	Average Fixed Deposits	7.75%	6.27%	23.57%	NA

(Currency: Indian Rupees in Millions, unless otherwise stated)

Ratios	Numerator	Denominator	Year Ended March 31, 2023	Year ended March 31, 2022	% change	Remarks
Current Ratio (times)	Current assets	Current Liabilities	2.13	2.25	-5.05%	NA
Debt to Equity Ratio (times)	Total Debt	Total Equity	0.11	0.11	1.87%	NA
Debt Service Coverage Ratio (times)	Earnings available for debt service	Debt Service	39.73	37.93	4.75%	NA
Return on Equity Ratio (%)	Net profit after taxes	Average Total Equity	25.44%	28.74%	-11.47%	NA
Inventory Turnover Ratio (times)	Cost of Goods Sold	Average Inventory	5.04	7.11	-29.03%	Mainly due to relative increase in closing inventory
Trade receivable Turnover Ratio (times)	Revenue from operations	Average Trade receivable	2.48	3.49	-28.94%	Mainly due to relative increase in trade receivables
Trade payable Turnover Ratio (times)	Cost of Goods Sold	Average Trade Payables	3.20	4.20	-23.68%	NA
Net capital turnover ratio (times)	Revenue from operations	Working Capital	2.11	2.43	-12.90%	NA
Net profit ratio (%)	Net profit after taxes	Revenue from operations	18.24%	17.14%	6.41%	NA
Return on capital employed (%)	Earning before interest and taxes	Capital Employed	28.57%	31.24%	-8.55%	NA
Return on investment (%)	Income from Fixed Deposits	Average Fixed Deposits	6.27%	2.43%	158.10%	Mainly due to improved yields on current investments during current period

(Currency: Indian Rupees in Millions, unless otherwise stated)

65 Others

i) The Group has not revalued any property, plant & equipment nor any intangible assets.

ii) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

iii) The Group does not hold any intangible assets under development and accordingly, no ageing nor completion schedule is provided.

iv) The Group has utilised borrowings from banks or financial institutions for the purpose for which it was obtained.

v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

vi) The Group does not have any transactions with struck off companies.

vii) The Group has not satisfied one charge which is yet to be registered with ROC beyond the statutory period. The charge is towards motor car loan with the Registrar of Companies, Mumbai (ROC) for a value of Rs. 21.91 Lacs. The Group is in the process of releasing the charge registered with the ROC and has received the NoC from bank dated August 20th, 2021. The Group had mailed the form to the Bank dated September 14, 2021. The reason for delay in satisying the charge registered with ROC is due to pendancy of digitally signed form to be received from bank.

viii) The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

ix) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

x) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial period.

xi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

xii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

66 Previous period figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

As per our examination report of even date attached

For G B C A & Associates LLP
Chartered Accountants
FRN: 103142W / W100292

For and on behalf of Board of Directors
SFC Environmental Technologies Limited
(Formerly known as SFC Environmental Technologies Private Limited)

Yogesh R. Amal	**Sandeep Sudhakar Asolkar**	**Sarvesh Kumar Garg**	**Amit Anil Sawant**	**Shweta Deshpande**
Partner	Chairman & Managing Director	Executive Director	Chief Financial Officer	Company Secretary
Membership No. 111636	DIN: 00097828	DIN: 06873116		M. No.: A-67764
Place: Mumbai	Place: Navi Mumbai	Place: Navi Mumbai	Place: Navi Mumbai	Place: Navi Mumbai
Date: 28-11-2024	Date: 28-11-2024	Date: 28-11-2024	Date: 28-11-2024	Date: 28-11-2024

OTHER FINANCIAL INFORMATION

Accounting ratios derived from the Restated Consolidated Financial Information

The accounting ratios derived from the Restated Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below. The table below should be read in conjunction with the sections titled "*Risk Factors*", "*Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", on pages 44, 334 and 447, respectively:

Particulars	June 30, 2024	June 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Earnings per Equity Share (basic)[1] (in ₹)	0.58*	0.41*	15.16	10.05	8.98
Earnings per Equity Share (diluted)[2] (in ₹)	0.58*	0.41*	15.16	10.05	8.98
Return on Net worth[3] (in %)	1.03*	0.96*	30.44	25.93	29.22
Net Asset Value per Equity Share[4] (in ₹)	56.39	42.82	57.20	42.33	35.20
Operating EBITDA[5] (in ₹ million)	93.79	34.39	1,932.54	1,240.72	1,088.02

**Not annualized:*

Notes:

1. *Earnings per share (basic) means Restated profit for the period / year attributable to the equity holders of our Company / weighted average number of Equity Shares outstanding during the period / year after considering sub-division of Equity Shares and bonus shares which has been issued subsequent to June 30, 2024, in accordance with Ind AS 33.*
2. *Earnings per share (diluted) means Restated profit for the period / year attributable to equity holders of our Company / weighted average number of equity shares outstanding during the period / year considered for deriving basic earnings per share and the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares after considering sub-division of Equity Shares and bonus shares which has been issued subsequent to June 30, 2024. The weighted average number of Equity Shares outstanding during the period / year is adjusted for sub-division of shares and bonus issue of Equity Shares subsequent to June 30, 2024, in accordance with Ind AS 33.*
3. *Return on Net worth attributable to the owners of our Company (%) = Profit after tax attributable to owners / Average Net Worth*
4. *Net asset value per equity share is calculated as Net Worth (excluding Non-Controlling Interest) as restated / weighted average number of equity shares outstanding at the end of the period / year adjusted for the subdivision of the equity shares and issue of bonus shares, in accordance with principles of Ind AS 33.*
5. *Operating EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit of joint ventures / associate and other income as per the Restated Consolidated Financial Information.*

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company as at and for Fiscals 2024, 2023 and 2022 and of our material subsidiaries, for Fiscals 2024, 2023 and 2022 (collectively, the "**Audited Standalone Financial Statements**") are available on our website at https://sfcenvironment.com/investors/financial-highlights/financial-statements-of-sfc.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Standalone Financial Statements of our Company and material subsidiaries and the reports thereon do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Standalone Financial Statements and the reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor BRLMs or any of the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Standalone Financial Statements, or the opinions expressed therein.

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 'Related Party Disclosures' for the three months periods ended June 30, 2024 and June 30, 2023 and for the Fiscals 2024, 2023 and 2022, read with the SEBI ICDR Regulations, and as reported in the Restated Consolidated Financial Information, see "*Restated Consolidated Financial Information – Note 52 - Related Party Disclosures*" on page 408.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as of June 30, 2024, derived from our Restated Consolidated Financial Information. The table below should be read in conjunction with the sections titled "*Risk Factors*", "*Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", on pages 44, 334 and 447, respectively:

(in ₹ million, unless otherwise stated)

Particulars#	**Pre-Offer as at June 30, 2024**	**As adjusted for the Offer***
Debt		
Non-current Liabilities - Borrowings (including current maturities) (I)	668.10	[●]
Current Liabilities - Borrowings (II)	201.11	[●]
Total borrowings (III = I + II)	869.22	**[●]**
Equity share capital (IV)	62.27	[●]
Other equity (V)	5,205.43	[●]
Non Controlling Interests (VI)	280.53	[●]
Total equity (VII = IV + V + VI)	5,548.24	**[●]**
Debt / Equity Ratio	0.16	**[●]**
Non-current Liabilities - Borrowings / Total Equity (VIII = I / VII)	0.12	**[●]**
Current Liabilities - Borrowings / Total Equity (IX = III / VII)	0.04	**[●]**

Notes:

i. *The corresponding post Offer capitalization data for each of the amounts given in the above table is not determinable at this stage pending completion of the book building process and therefore has not been provided in the above statement.*

ii. *The above statement does not include lease liability as per Ind AS 116 disclosed under the Restated Consolidated Financial Information.*

iii. *The Board of Directors at its meeting held on August 14, 2024 had approved the sub-division of fully paid-up equity share of ₹10 into 5 fully paid-up Equity Shares of ₹2 each on record date which was approved by the Shareholders by means of an ordinary resolution dated September 5, 2024.*

iv. *The Board of Directors at its meeting held on August 14, 2024 had approved the bonus issue of 2 new Equity Share for every one equity share held on record date (i.e., September 4, 2024) which was approved by the Shareholders by means of a special resolution dated September 5, 2024. Through a Board resolution dated September 5, 2024, our Company has allotted 62,274,180 equity shares of ₹2 each as bonus shares to the existing equity shareholders of our Company.*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the Fiscals 2024, 2023 and 2022, and for the three months ended June 30, 2024 and June 30, 2023. You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our Restated Consolidated Financial Information as of and for Fiscals 2024, 2023 and 2022, and the three months ended June 30, 2024 and June 30, 2023, including the related annexures.

Unless otherwise indicated or context otherwise requires, the financial information for Fiscals 2024, 2023 and 2022, and the three months ended June 30, 2024 and June 30, 2023, included herein is derived from the Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Information" and "Summary Financial Information" on pages 334 and 87.

Our Fiscal year ends on March 31 of each year. Accordingly, all references to a particular Fiscal are to the 12-month period ended March 31 of that year. The financial information for the three months ended June 30, 2024 and June 30, 2023, has not been annualized, unless otherwise specified. The financial information for the three months ended June 30, 2024 and June 30, 2023 is not comparable with financial information for Fiscals 2024, 2023 and 2022.

*The industry information contained in this section is derived from the industry report titled "Industry Report on Indian STP, MSW Management, and Biogas Market" dated November 30, 2024, which is exclusively prepared for the purposes of the Offer and issued by Frost & Sullivan and is commissioned and paid for by our Company ("**F&S Report**"). Frost & Sullivan was appointed on pursuant to engagement letter dated February 28, 2024. We commissioned and paid for the F&S Report for the purposes of confirming our understanding of the industry specifically for the purposes of the Offer. The F&S Report is available on the website of our Company at https://sfcenvironment.com/investors/financial-highlights/industry-report. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For further information, please see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 24.*

This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward Looking Statements" and "Risk Factors" on pages 27 and 44, respectively.

OVERVIEW

For an overview of our business, please see "*Our Business - Overview*" on page 253.

SIGNIFICANT FACTORS AFFECTING OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Ability to effectively execute and expand our order book

Our order book and the new projects that we have bid for and will continue to bid for in the future will have an effect on the revenues we will earn in the future. As at September 30, 2024, we had an order book of ₹6,314.93 million of WWT segment, which amounted to 120.21% of our revenue from operations from WWT segment for Fiscal 2024, and 95.91% our total revenue from operations for Fiscal 2024. As of March 31, 2024, March 31, 2023 and March 31, 2022, we had an order book in the WWT segment of ₹6,564.47 million, ₹5,574.20 million and ₹5,280.90 million, respectively.

Our order book, the likelihood of the completion of contracts reflected in our order book and the period over which such contracts are likely to be executed, may vary significantly based on the product or service, and various factors that may affect our operations or the time period within which we are able to execute such contracts. Even where a project proceeds as scheduled, it is possible that contracting parties may default or delay and fail to pay amounts owed.

Any delay, cancellation or payment default could adversely affect our cash flow position, revenues and/or profit. Many of these factors may be beyond our control.

Accordingly, the realization of our order book and the effect on our results of operations may vary significantly depending on the nature of such contracts, actual performance of such contracts, as well as the stage of completion of such contracts as of the relevant reporting date as it is impacted by applicable accounting principles affecting revenue and cost recognition. The value of the orders we receive and our ability to execute them in a timely manner therefore impacts our future performance. As we expand our order book, the modified terms of payments for new projects may necessitate higher working capital requirements and therefore impact our financial performance. Any cancellation of orders or termination of projects under construction by our customers may result in a reduction of our future revenue. Any delay in payments that are due and payable to us will affect our operations and have an impact on our cash flows. This may result in an increase in our working capital borrowings thereby affecting our business and results of operations

Maintaining our customer relationships

We believe that our continued relationship with our customers plays a significant role in determining our continued success and results of operations. Our relationship with these customers have thus been gradually strengthened by proving our reliability and quality over a period of time. The demand for our services and products from our customers has a significant impact on our results of operations and financial condition. Over the years, we have successfully executed a diverse portfolio of projects spanning various capacities and geographical locations. Set out below are details of our revenue attributable to repeat customers for the periods mentioned:

Financial Year / Period	Revenue from repeat customers (in ₹ million)	Revenue from repeat customers as a % of revenue from operations
Three months ended June 30, 2024	383.50	75.48%
FY 2024	4,691.84	89.96%
FY 2023	3,421.83	83.18%
FY 2022	2,417.20	62.21%

Note: Revenues from repeat customers refer to the revenue generated from customers from whom our Company has derived revenues in any of the three preceding fiscal years for the respective financial year (on standalone basis).

In the event that we lose any of our major customers or if the amount of business we receive from them is reduced for any reason, our cash flows and results of operations may be affected. Our arrangements with our customers also require us to meet certain standards and performance obligations and our failure to meet such specifications could result in a reduction of business from them, termination of contracts or additional costs and penalties, all of which may adversely impact our results of operations and financial condition.

Technology and process innovation

Over the years, we have developed a suite of proprietary technologies and engineering solutions. Our technology prowess and proficiency help us improve our service delivery and maintain and improve our margins and profit ability. Our ability to stay abreast of such changes and provide commercially viable and marketable solutions to our customers plays a significant role in determining the attractiveness of our offering to customers. Our future success will depend substantially on our ability to respond to new technologies.

Management of our costs, including those of our raw materials cost management through backward and forward integration

Our ability to profitably expand our execution capabilities is dependent on our ability to efficiently manage our corresponding increase in expenditures and achieve timely completion and commissioning of our projects. We believe that our backward integration strategy will further enhance our operations and increase profitability by development and manufacture of key components, to achieve cost savings and improve profit margins. By increasing our backward integration measures, we will be in a position to control the quality and availability of materials which in turn will reduce reliance on external suppliers and enhance our ability to negotiate more favorable pricing from customers.

We depend on external suppliers for our materials and components required and typically purchase materials and components on a purchase order basis and place such orders with them in advance on the basis of our anticipated requirements. As a result, the success of our business is significantly dependent on maintaining good relationships with our materials and component suppliers. Further, we source raw materials from a number of international suppliers as well as from vendors in India. Our supply arrangements are subject to price volatility caused by various factors such as market fluctuation, currency fluctuations, climatic and environmental conditions, production and transportation cost, changes in domestic as well as international government policies, and regulatory and trade sanctions. Changes in import duties also impact our cost materials consumed and consequently operating margins. If we cannot fully offset increases in material prices with increases in the prices for our services and products, we will experience lower margins.

Our execution capabilities

Our projects for SWT segment are typically awarded through a competitive bidding process. This process therefore involves pre-qualifying for bids based on the company's technical and financial strengths, and an evaluation of the nature and value of contracts executed in the past to determine a company's eligibility to bid for new projects. Further, the ability to strategically partner with other players also determines the outcome of pre-qualification and consequently the award of projects.

While evaluating our performance in contracts previously executed, our project management capabilities are also assessed. This would require continuing and improving on our project management practices which includes amongst others efficient equipment and material sourcing, good communication between the site office and head office, and project planning and monitoring to suit the projects under execution. Our ability to continue implementation of such practices as our business grows would determine our overall performance, which is likely to impact our profitability.

Availability of cost-effective funding sources

As of September 30, 2024, our outstanding borrowings (on a consolidated basis) aggregated to ₹1,741.23 million. Any increase in interest expense may have an adverse effect on our results of operations and financial condition. In cases, significant amounts of working capital are required to finance the performance of engineering, construction and other work on projects before payments are received from clients. Our finance costs are dependent on various external factors, including Indian and global credit markets and, in particular, interest rate movements and adequate liquidity. We believe that we have been able to maintain relatively stable finance costs. Our ability to maintain our finance costs at optimum levels will continue to have a direct impact on our profitability, results of operations and financial condition.

MATERIAL ACCOUNTING POLICIES

- **Basis for Measurement:**

  The Restated Consolidated Financial Information have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in respect of Section 133 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except if compliance with other statutory promulgations require a different treatment.

- **Statement of Compliance**

  The Restated Consolidated Financial Information of the group, its associate and its joint ventures comprise the Restated Consolidated Balance Sheet as at June 30, 2024, June 30, 2023, March 31, 2024, March 31, 2023, March 31, 2022; the related Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, and the Restated Consolidated Statement of Cash Flows for the quarter ended June 30, 2024 and June 30, 2023 and year ended March 31, 2024, March 31, 2023 and March 31, 2022 and the material accounting policies and Restated Consolidated Other Financial Information (together referred to as '**Restated Consolidated Financial Information**').

The Restated Consolidated Financial Information have been prepared on a going concern basis. The accounting policies, effective as on June 30, 2024 are applied consistently to all the periods presented in the Restated Consolidated Financial Information.

The Restated Consolidated financial information comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

These Restated Consolidated Financial Information have been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended issued by the Securities and Exchange Board of India ("**SEBI**"), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Draft Red Herring Prospectus in connection with the proposed initial public offering of equity shares of the Company comprising a fresh issue of Equity Shares and an offer for sale of Equity Shares held by the Selling Shareholders (the "**Offer**"), prepared by the in terms of the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "**Act**");
b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time (the "**Guidance Note**").

The Restated Consolidated Financial Information has been compiled by the Group from:

I. Audited Consolidated Financial Statements of the Group, its associate and its joint ventures as at and for the years ended March 31, 2024 and March 31, 2023, prepared in accordance with Indian Accounting Standard (referred to "**Ind AS**") as prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which has been approved by the Board of Directors at their meeting held on August 08, 2024 and October 27, 2023 respectively.

II. Audited Special Purpose Consolidated Financial Statements of the Group, its associate and its joint ventures as at and for the quarter ended June 30, 2024 and June 30, 2023 prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on November 28, 2024.

III. Audited Special Purpose Consolidated Financial Statements of the Group, its associates and its joint venture as at and for the year ended March 31, 2022, were approved by the Board of Directors at their Board meeting held on November 28, 2024. Audited Special Purpose Consolidated Financial Statements for the year ended March 31, 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies (both mandatory exceptions and optional exemptions) availed as per Ind AS 101 for the transition date of April 1, 2021 and as per the presentation, accounting policies and grouping/classifications followed as at and for the quarter ended June 30, 2024.

The Special Purpose Financial Statements are prepared for the limited purpose of complying with the requirement of getting these financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO. These financial statements cannot be referred to or distributed or included in any offering document or used for any other purpose except as stated above.

- Further, there were no changes in accounting policies during the period of these Financial Statements (Refer Annexure VI – "Statement of adjustments to restated consolidated financial information");

- There were no material amounts which have been adjusted for, in arriving at profit / loss of the respective periods.

The Restated Consolidated Financial Information have been prepared so as to contain information / disclosures and incorporating adjustments set out below in accordance with the SEBI ICDR Regulations:

a. Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Restated Financial Information of the Group for the quarter ended June 30, 2024 and the requirements of the SEBI ICDR Regulations, if any;
b. do not require any adjustments for modifications as there is no modification in the underlying audit reports.

The Restated Consolidated Financial Information for the quarter ended June 30, 2024 and June 30, 2023 and year ended March 31, 2024, March 31, 2023 and March 31, 2022 were approved for issue in accordance with the resolution of the Board of Directors on November 28, 2024.

These Restated Consolidated Financial Information are presented in Indian Rupees (INR), which is also the functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

- **Basis of accounting and preparation and presentation of Restated Consolidated Financial Information**

The Restated Consolidated Financial Information have been prepared on a historical cost basis, except for the following assets and liabilities which are measured on an alternative basis on each reporting date:

a) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
b) Employee’s Defined Benefit Plan as per actuarial valuation.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.

When measuring the fair value of an asset or a liability, the group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

- **Use of estimates and Judgements**

The preparation of these Restated Consolidated Financial Information in conformity with the recognition and measurement principles of Ind AS requires the management of the group to make estimates assumptions and judgments that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the Restated Consolidated Financial Information and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates considering different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected. The following are the critical estimates, assumptions and judgements that the management have made in the process of applying the Group's accounting policies and that have a significant effect on the amounts recognized in the Restated Consolidated Financial Information:

(a) Useful lives of Property, plant and equipment: Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the Management at the time the asset is acquired and reviewed periodically.
(b) Employee benefits: Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
(c) Provision for income tax and deferred tax assets: The Group uses estimates and judgements based on the relevant rulings in the areas of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.
(d) Provisions and contingent liabilities: The Group estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Group uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the Restated Consolidated Financial Information.
(e) Fair value measurement of financial instruments: When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as market risk, liquidity risk and credit risk.
(f) Allowance for credit losses on receivables: The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates.
(g) Impairment of non- financial assets: The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre- tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market

transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

- **Classification of Assets and Liabilities into Current/Non-Current:**

The Operating Cycle of the Group is the time between the acquisitions of the assets for processing and their realisation in cash & cash equivalents. The Group has identified twelve months as its operating cycle for the purpose of current and non current classification of assets and liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

(a) It is expected to be realized, or is intended to be sold or consumed, in the normal operating cycle; or
(b) It is held primarily for the purpose of trading; or
(c) It is expected to realise the asset within twelve months after the reporting period; or
(d) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

(a) It is expected to be settled in the normal operating cycle; or
(b) It is held primarily for the purpose of trading; or
(c) It is due to be settled within twelve months after the reporting period; or
(d) The Group does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

- **Basis of Consolidation**

(a) Consolidation of Subsidiaries: Consolidation of a Subsidiary begins when the parent company obtains control over the Subsidiary and ceases when the Company loses control of the Subsidiary. Specifically, income and expenses of a Subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the group gains control until the date when the group ceases to control the Subsidiary. The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its Subsidiaries. Control is achieved when the Company:

i. has power over the investee;
ii. is exposed, or has rights, to variable returns from its involvement with the investee; and
iii. has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

(b) Transactions eliminated on consolidation: Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. The consolidated financial statements present the consolidated accounts which consist of accounts of the Company and that of the following subsidiaries, associates, joint ventures of the Group.

(c) Equity - accounted investee (Associate): The interest in equity in investees comprise interests in associates. An associate is an entity in which the group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition the Restated Consolidated Financial Information include the groups share of profit or loss and OCI of equity accounted investee until the date on which significant influence ceases.

- **Revenue from contracts with customers**

a) Revenue from operations: Revenue is recognized on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration. Revenue excludes taxes collected from customers on behalf of the government. Any amount receivable from customer are recognized as revenue at the point in time when control of the goods sold are transferred to the customer, generally on delivery of the goods.

b) Revenue from service concession arrangement has been accounted under the financial asset model. The entity recognizes financial asset arising from service concession arrangement to the extent it has an unconditional contractual right to receive payment. Financial assets are initially recognized at their fair value. Contract cost is recognized as the total cost incurred towards the financial assets. Contract revenue represents revenue from contracts wherein the performance obligation is satisfied over a period of time. and revenue is recognized by additionally applying specified margin on the total cost incurred towards the financial assets. Subsequent to initial recognition financial assets are recognized at amortized cost.

c) Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged off in Statement of Profit and Loss immediately in the period in which such costs are incurred.

d) The scrap sales arising directly due to operating activity is a part of revenue from operations.

- **Recognition of Dividend Income, Interest income or expense**

Interest income or expense is recognized using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

a) the gross carrying amount of the financial asset; or
b) the amortized cost of the financial liability

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Other Income: Interest income from other financial assets is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is recognized on time proportion basis taking into account the amount outstanding and the interest rate applicable.

- **Property, Plant & Equipment (PPE)**

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, less accumulated depreciation and accumulated impairment losses, if any. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.

Expenditure incurred after the PPE have been put into use such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

Subsequent costs are included in the assets's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they were incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

<u>Capital work in Progress:</u>

Expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE if any) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets"

<u>Depreciation:</u>

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided using written down value method, so as to write off the cost of the assets less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis. In respect of additions to /deletions from the PPE, depreciation is provided on pro-rata basis with reference to the month of addition/deletion of the Assets.

Gains or losses arising from de-recognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

- **Investment Property**

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. After initial recognition, the company measures investment property by using cost model. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The company depreciates the investment properties on written down value which is in line with the indicative useful life of relevant type of building mentioned in Part C of Schedule II to the Act.

Though investment property is measured using cost model, the fair value of investment property is disclosed in the notes.

- **Leases**

The Group, as a lessee, recognises a right-of use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right of use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation/amortisation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated/amortised using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

For short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term.

The Group, as a lessor, classifies a lease either as an operating lease or a finance lease. Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

- **Financial Instruments**

a) Recognition and initial measurement: The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

b) Classification and subsequent measurement

   i. Financial assets at amortised cost: Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
   ii. Financial assets at fair value through other comprehensive income (FVOCI): Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

iii. Financial assets at fair value through profit or loss (FVTPL): Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss. This includes all derivative financial assets.

iv. Financial liabilities: Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

c) Derecognition:

i. **Financial Assets:** The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient. Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

ii. **Financial Liabilities:** A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying value of the financial liability and the consideration paid is recognised in statement of profit and loss.

- **Impairment of assets**

The carrying amounts of the Group's assets are reviewed at each Balance Sheet date to determine whether there is any impairment. Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Impairment loss is recognized in the statement of profit and loss or against revaluation surplus, where applicable. If at the balance sheet date there is an indication that previously assessed impairment loss no longer exists the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciated historical cost.

a) Non-derivative financial assets: In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of all financial assets subsequent to initial recognition other than financial assets measured at fair valued through profit and loss (FVTPL). For Trade Receivables the Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed. For other financial assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk since its initial recognition. If there is significant increase in credit risk since its initial recognition full lifetime ECL is used. The impairment losses and reversals are recognised in Statement of Profit and Loss.

b) Impairment of non-financial Asset: At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of an asset or Cash Generating Unit (CGU) is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belong. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The recoverable amount of an individual asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss to the extent, asset's carrying amount exceeds its recoverable amount.

- **Inventories**

Inventories are valued after providing for obsolescence, as under:

a) Raw materials, components, stores and spares at lower of cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.
b) Work-in-progress and Finished goods are valued at lower of cost or net realisable value. Cost includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined on weighted average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

<u>Provisions, contingent liabilities and contingent assets</u>

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost.

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent asset are disclosed in the financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

- **Employee benefits**

  Employee benefits include provident fund and gratuity fund.

  a) Defined Contribution Plan: The Group's contributions towards provident fund is defined contribution scheme. The Group's contribution paid/payable under the schemes is recognised in the Statement of Profit and Loss on accrual basis during the period in which the employee renders the related service.

  b) Short-Term Employee Benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. and the expected cost of ex-gratia, if any are recognized in the statement of profit and loss in the period in which the employee renders the related service.

  c) Defined benefit plan: The Group's gratuity benefit scheme with Life Insurance Corporation of India is a defined benefit plan. The Group's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation at each balance sheet date by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans are based on the market yields on Government securities as at the balance sheet date. When the calculation results in a benefit to the Group, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan. Actuarial gains and losses are recognized immediately in the statement of other comprehensive income.

- **Taxation**

  The tax expenses comprise of current tax and deferred income tax charge or credit. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in Equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity, respectively.

  Current Tax

  Current tax is determined as the amount of tax payable in respect of taxable income for the period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

  Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

  The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

  Deferred Tax

  Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the group's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

  Deferred tax liabilities are generally recognised for all taxable temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

- **Foreign currency transactions**

Transactions in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate at the transaction date or at rates that closely approximate the rate at the date of the transaction. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date are recognised in the Statement of Profit & Loss in the period in which they arise.

- **Cash and cash equivalent**

Cash and cash equivalents in the balance sheet comprise cash, cheque in hand, cash at banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Acquisition-related costs are generally recognised in Consolidated Statement of Profit and Loss as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

1. deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
2. liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any noncontrolling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of bargain purchase, before recognising gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing, directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of noncontrolling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS. When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

If the initial accounting for a business combination is incomplete by the end of the financial year, the provisional amounts for which the accounting is incomplete shall be disclosed in the financial statements and provisional amounts recognised at the acquisition date shall be retrospectively adjusted during the measurement period. During the measurement period, the group shall also recognise additional assets or liabilities if the new information is obtained about the facts and circumstances.

- **Earnings per share**

  Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year and equity shares to be issued on conversion of mandatorily convertible instruments. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.
  For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

- **Cash flow statement**

  Cash flows are reported using the indirect method, whereby the net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Group are segregated. Cash and cash equivalents in the cash flow statement comprise cash, cheque in hand, cash at banks and bank deposits with original maturity of three months or less.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in our accounting policies during the three months ended June 30, 2024 and June 30, 2023, and during the Fiscals 2024, 2023 and 2022.

INFORMATION ABOUT REVENUE SPLIT BY GEOGRAPHICAL AREA

The following information discloses revenue from external customers based on geographical areas:

(in ₹ million)

Period	Geography	External Revenue
Three months ended June 30, 2024	India	892.00
	Outside India	48.91
	Total	940.91
Three months ended June 30, 2023	India	680.14
	Outside India	25.25
	Total	705.39
Fiscal 2024	India	6,376.15
	Outside India	207.77
	Total	6,583.92
Fiscal 2023	India	4,925.69
	Outside India	271.17
	Total	5,196.86
Fiscal 2022	India	4,553.91
	Outside India	413.42
	Total	4,967.34

KEY COMPONENTS OF INCOME AND EXPENSES

We report our income and expenditure in the following manner:

Total income

Our total income comprises our revenue from operations, other income and impairment gain on financial assets.

Revenue from operations. Our revenue from operations primarily comprises revenue from contracts with customers and other operating revenues. Revenue from contracts with customer includes sale of goods and sale of services. Other operating revenues include interest of annuity, export benefits earned, scrap sales, corporate guarantee consideration, supply of electricity and other operating income.

Other income. Other income primarily comprises interest income under the effective interest method, net gain on fair valuation of investment in mutual funds, net gain on foreign currency transactions, net gain on sale of property, plant & equipment, net gain on sale of investment property, insurance claim, incentive, rent income and miscellaneous income.

Impairment gain on financial assets. Impairment gain on financial assets include impairment gain on trade receivables arising from contracts with customer.

Expenses

Our total expenses comprise purchases of stock-in-trade, cost of material consumed, project cost, changes in inventories, employee benefits expense, finance costs, depreciation and amortization expense, impairment loss on financial assets and other expenses.

Purchases of stock-in-trade. Purchases of stock-in-trade includes. purchase of goods and services (domestic) and purchase of goods and services (imports).

Cost of material consumed. Cost of material consumed primarily consists of opening stock of raw materials, purchases as adjusted for closing stock of raw materials.

Project cost. Project cost includes contract cost incurred for execution services in relation to the SWT facilities at North Goa and South Goa units.

Changes in inventories. Changes in inventories of finished goods and work in progress represents the difference between the opening and closing stock of finished goods, work in progress and exchange difference on translation of foreign operations. Inventories at the beginning of the year includes finished goods and work in progress.

Employee benefits expense. Our employee benefits expense primarily comprises salaries, wages and bonus, contribution to provident and other funds, gratuity, director's remuneration, leave encashment expenditure and staff welfare expenses.

Finance costs. Our finance costs primarily comprise interest expense on bank borrowings, other borrowings, interest on lease liabilities and other finance costs related to the credit facilities.

Depreciation and amortization expense. Depreciation and amortization expense include depreciation on property, plant and equipment, depreciation of right-of-use assets, depreciation on investment property and amortization of intangible assets.

Impairment losses on financial assets and contract assets. Impairment loss on financial assets and contract assets include impairment loss on trade receivables arising from contracts with customer.

Other expenses. Our other expenses primarily comprises of other manufacturing expenses, transportation charges, legal and professional fees, travelling and lodging expenses, advertisement and marketing expenses, business promotion expenses, O&M expenses, insurance, rent, CSR expenses and repair and maintenance.

Other comprehensive income

Other comprehensive income comprises of items that will not be subsequently reclassified to profit or loss and items that may be reclassified to profit or loss.

Our results of operations

The following table sets forth select financial data derived from our restated consolidated statement of profit and loss for the three months ended June 30, 2024 and June 30, 2023, and Fiscals 2024, 2023 and 2022, and we have expressed the components of select financial data as a percentage of total income for such years:

Particulars	**Three months ended June 30, 2024**		**Three months ended June 30, 2023**		**Fiscals**					
					2024		**2023**		**2022**	
	(₹ in million)	***(% of total income)***	***(₹ in million)***	***(% of total income)***	***(₹ in million)***	***(% of total income)***	***(₹ in million)***	***(% of total income)***	***(₹ in million)***	***(% of total income)***
Income										
Revenue from operations	940.91	92.84%	705.39	97.13%	6,583.92	97.16%	5,196.86	97.86%	4,967.34	96.66%
Other income	72.24	7.13%	20.88	2.87%	190.71	2.81%	113.78	2.14%	142.76	2.78%
Impairment gain on financial assets	0.29	0.03%	-	-	1.79	0.03%	-	-	28.87	0.56%
Total Income	**1,013.45**	**100.00%**	**726.27**	**100.00%**	**6,776.41**	**100.00%**	**5,310.64**	**100.00%**	**5,138.97**	**100.00%**
Expenses										
Purchases of stock-in-trade	107.14	10.57%	240.91	33.17%	2,062.82	30.44%	2,517.15	47.40%	2,585.27	50.31%
Cost of material consumed	301.63	29.76%	232.92	32.07%	1,221.90	18.03%	682.85	12.86%	554.37	10.79%
Project cost	28.79	2.84%	50.01	6.89%	261.66	3.86%	15.45	0.29%	1.97	0.04%
Changes in inventories	43.11	4.25%	(66.72)	-9.19%	(162.69)	-2.40%	(198.70)	-3.74%	(78.92)	-1.54%
Employee benefits	182.46	18.00%	125.97	17.35%	600.00	8.85%	494.73	9.32%	437.71	8.52%

Particulars	Three months ended June 30, 2024		Three months ended June 30, 2023		Fiscals					
					2024		2023		2022	
	(₹ in million)	*(% of total income)*	*(₹ in million)*	*(% of total income)*	*(₹ in million)*	*(% of total income)*	*(₹ in million)*	*(% of total income)*	*(₹ in million)*	*(% of total income)*
expense										
Finance costs	30.00	2.96%	8.23	1.13%	88.26	1.30%	36.04	0.68%	39.22	0.76%
Depreciation and amortization expense	42.81	4.22%	18.53	2.55%	124.58	1.84%	59.08	1.11%	49.32	0.96%
Impairment loss on financial assets	0.24	0.02%	0.34	0.05%	2.78	0.04%	4.24	0.08%	-	-
Other expenses	184.03	18.16%	87.54	12.05%	666.69	9.84%	440.43	8.29%	407.78	7.94%
Total expenses	**920.23**	**90.80%**	**697.76**	**96.07%**	**4,866.01**	**71.81%**	**4,051.26**	**76.29%**	**3,996.73**	**77.77%**
Profit before share of profit of joint ventures and associate	93.22	9.20%	28.51	3.93%	1,910.40	28.19%	1,259.38	23.71%	1,142.24	22.23%
Share of profit of joint ventures and associate	2.80	0.28%	15.51	2.14%	24.06	0.36%	13.13	0.25%	27.65	0.54%
Profit before tax	96.01	9.47%	44.02	6.06%	1,934.47	28.55%	1272.51	23.96%	1,169.90	22.77%
Tax expense	31.01	3.06%	17.22	2.37%	492.74	**7.27%**	324.42	6.11%	318.29	6.19%
Profit after Tax	**65.01**	**6.41%**	**26.80**	**3.69%**	**1,441.73**	**21.28%**	**948.09**	**17.85%**	**851.60**	**16.57%**
Total other comprehensive income	-	-	7.18	0.99%	5.88	0.09%	-	-	-	-
Total other comprehensive loss	(1.28)	(0.13%)	-	-	-	-	(3.32)	-0.06%	(1.13)	-0.02%
Total comprehensive income of the year	**63.73**	**6.29%**	**33.98**	**4.68%**	**1,447.61**	**21.36%**	**944.76**	**17.79%**	**850.48**	**16.55%**

Note: Figures for the three months ended June 30, 2024 and June 30, 2023 have not been annualised.

THREE MONTHS ENDED JUNE 30, 2024 COMPARED TO THREE MONTHS ENDED JUNE 30, 2023

Total income

Our total income increased by 39.54% to ₹1,013.45 million for the three months ended June 30, 2024 from ₹726.27 million for the three months ended June 30, 2023. This increase was primarily due to a 33.39% increase in our revenue from operations from ₹705.39 million for the three months ended June 30, 2023 to ₹940.91 million for the three months ended June 30, 2024, coupled with a 246.01% increase in our other income from ₹20.88 million for the three months ended June 30, 2023 to ₹72.24 million for the three months ended June 30, 2024.

Revenue from operations. Our revenue from operations increased by 33.39% to ₹940.91 million for the three months ended June 30, 2024 from ₹705.39 million for the three months ended June 30, 2023. This was primarily attributable to (i) an increase in our sale of services by 211.43% to ₹345.62 million for the three months ended June 30, 2024 from ₹110.98 million for the three months ended June 30, 2023; and (ii) an increase in other operating revenues by 73.17% to ₹40.35 million for the three months ended June 30, 2024 from ₹23.30 million for the three months ended June 30, 2023. Our sale of goods decreased by 2.83% to ₹554.94 million for the three months ended June 30, 2024 from

₹571.11 million for the three months ended June 30, 2023.

Other income. Our other income increased by 246.01% to ₹72.24 million for the three months ended June 30, 2024 from ₹20.88 million for the three months ended June 30, 2023, primarily due to an increase in the interest income under the effective interest method and net gain on sale of property, plant and equipment.

Expenses

Our expenses increased by 31.88% to ₹920.23 million for the three months ended June 30, 2024 from ₹697.76 million for the three months ended June 30, 2023.

Cost of Goods Sold: The cost of goods sold, which is the aggregate of our cost of raw materials consumed, purchase of stock-in-trade and increase / (decrease) in inventories of finished goods and work-in-progress, increased by 11.00% from ₹407.12 million in the three months ended June 30, 2023 to ₹451.88 million in the three months ended June 30, 2024. The increase in cost of goods sold on account of increased sales volume was offset by reduction in such costs primarily on account of in-house manufacturing and cost-efficient procurements.

Project cost. The project cost decreased from ₹50.01 million for the three months ended June 30, 2023 to ₹28.79 million in the three months ended June 30, 2024, in line with the corresponding revenue from operations.

Employee benefits expense. Employee benefits expense increased by 44.84% to ₹182.46 million for the three months ended June 30, 2024 from ₹125.97 million for the three months ended June 30, 2023, primarily due to an increase in salaries, wages and bonus by 41.27% to ₹135.56 million for the three months ended June 30, 2024 from ₹95.96 million for the three months ended June 30, 2023 and staff welfare expenses increased to ₹22.56 million in the three months ended June 30, 2024 from ₹5.08 million in the three months ended June 30, 2023 as a result of an increase in our number of employees and growth in annual salaries.

Finance costs. Finance costs increased by 264.52% to ₹30.00 million for the three months ended June 30, 2024 from ₹8.23 million for the three months ended June 30, 2023, primarily due to an increase in the interest expense on financial liabilities measured at amortized cost to ₹26.81 million for the three months ended June 30, 2024 from ₹7.19 million for the three months ended June 30, 2023.

Depreciation and amortization expense. Depreciation and amortization expense increased by 131.01% to ₹42.81 million for the three months ended June 30, 2024 from ₹18.53 million for the three months ended June 30, 2023, predominantly due to a net increase in the gross carrying amount of property, plant and equipment and the resultant depreciation of property, plant and equipment right of use assets during the period.

Impairment loss on financial assets and contract assets. Impairment loss on financial assets and contract assets decreased by 28.82% to ₹0.24 million for the three months ended June 30, 2024 from ₹0.34 million for the three months ended June 30, 2023, primarily due to a decrease in the impairment loss on trade receivables arising from contracts with customer.

Other expenses. Our other expenses increased by 110.22% to ₹ 184.03 million for the three months ended June 30, 2024 from ₹ 87.54 million for the three months ended June 30, 2023, primarily on account of increase in transportation charges, legal and professional fees, business promotion expense, advertisement and marketing expenses and other manufacturing expenses in line with the corresponding growth in the revenue.

Restated profit after tax for the period

For the reasons discussed above, the restated profit after tax for the period increased by 142.53% to ₹65.01 million for the three months ended June 30, 2024 from ₹26.80 million for the three months ended June 30, 2023.

Total comprehensive profit for the period

The total comprehensive profit for the period increased by 87.55% from ₹33.98 million for the three months ended June 30, 2023 to ₹63.73 million for the three months ended June 30, 2024.

FISCAL 2024 COMPARED TO FISCAL 2023

Total income

Our total income increased by 27.60% to ₹6,776.41 million for Fiscal 2024 from ₹5,310.64 million for Fiscal 2023. This increase was primarily due to a 26.69% increase in our revenue from operations from ₹5,196.86 million for Fiscal 2023 to ₹6,583.92 million for Fiscal 2024, coupled with a 67.61% increase in our other income from ₹113.78 million for Fiscal 2023 to ₹190.71 million for Fiscal 2024.

Revenue from operations. Our revenue from operations increased by 26.69% to ₹6,583.92 million for Fiscal 2024 from ₹5,196.86 million for Fiscal 2023. This was primarily attributable to (i) an increase in our sale of goods by 65.29% to ₹5,578.05 million for Fiscal 2024 from ₹3,374.67 million for Fiscal 2023; and (ii) an increase in other operating revenues by 554.35% to ₹132.02 million for Fiscal 2024 from ₹20.18 million for Fiscal 2023. Our sale of services decreased by 51.51% to ₹873.85 million for Fiscal 2024 from ₹1,802.02 million for Fiscal 2023.

Other income. Our other income increased by 67.61% to ₹190.71 million for Fiscal 2024 from ₹113.78 million for Fiscal 2023, primarily due to an increase in the interest income under the effective interest method to ₹120.01 million for Fiscal 2024 from ₹65.75 million for Fiscal 2023.

Expenses

Our expenses increased by 20.11% to ₹4,866.01 million for Fiscal 2024 from ₹4,051.26 million for Fiscal 2023.

Cost of Goods Sold: The cost of goods sold, which is the aggregate of our cost of raw materials consumed, purchase of stock-in-trade and increase/(decrease) in inventories of finished goods and work-in-progress, increased by 4.02% from ₹3,001.30 million in Fiscal 2023 to ₹3,122.04 million in Fiscal 2024. The increase in cost of goods sold on account of increased sales volume was offset by reduction in such costs primarily on account of in-house manufacturing and cost-efficient procurements.

Project cost. The project cost increased from ₹15.45 million for Fiscal 2023 to ₹261.66 million in Fiscal 2024, in line with the corresponding revenue from operations.

Employee benefits expense. Employee benefits expense increased by 21.28% to ₹600.00 million for Fiscal 2024 from ₹494.73 million for Fiscal 2023, primarily due to an increase in salaries, wages and bonus by 28.62% to ₹474.75 million for Fiscal 2024 from ₹369.10 million for Fiscal 2023 as a result of an increase in our number of employees and growth in annual salaries.

Finance costs. Finance costs increased by 144.92% to ₹88.26 million for Fiscal 2024 from ₹36.04 million for Fiscal 2023, primarily due to an increase in the interest expense on financial liabilities measured at amortized cost to ₹78.96 million for Fiscal 2024 from ₹34.04 million for Fiscal 2023 and an increase in lease liabilities to ₹8.79 million for Fiscal 2024 from ₹2.00 million for Fiscal 2023.

Depreciation and amortization expense. Depreciation and amortization expense increased 110.88% to ₹124.58 million for Fiscal 2024 from ₹59.08 million for Fiscal 2023, predominantly due to a net increase in the gross carrying amount of property, plant and equipment and the resultant depreciation of property, plant and equipment right of use assets during the fiscal year.

Impairment loss on financial assets and contract assets. Impairment loss on financial assets and contract assets decreased by 34.38% to ₹2.78 million for Fiscal 2024 from ₹4.24 million for Fiscal 2023, primarily due to a decrease in the impairment loss on trade receivables arising from contracts with customer.

Other expenses. Our other expenses increased by 51.37% to ₹666.69 million for Fiscal 2024 from ₹440.43 million for Fiscal 2023, primarily on account of increase in transportation charges, legal and professional fees, business promotion expense, advertisement and marketing expenses and other manufacturing expenses in line with the corresponding growth in the revenue.

Restated profit after tax for the year

For the reasons discussed above, the restated profit after tax for the year increased by 52.07% to ₹1,441.73 million for Fiscal 2024 from ₹948.09 million for Fiscal 2023.

Total comprehensive profit for the year

The total comprehensive profit for the year increased by 53.22% from ₹944.76 million for Fiscal 2023 to ₹1,447.61 million for Fiscal 2024.

FISCAL 2023 COMPARED TO FISCAL 2022

Total income

Our total income increased by 3.34% to ₹5,310.64 million for Fiscal 2023 from ₹5,138.97 million for Fiscal 2022.

Revenue from operations. Our revenue from operations increased by 4.62% to ₹5,196.86 million for Fiscal 2023 from ₹4,967.34 million for Fiscal 2022. This net increase was primarily attributable to (i) an increase in our sale of goods by 45.38% to ₹3,374.67 million for Fiscal 2023 from ₹2,321.25 million for Fiscal 2022; and (ii) a decrease in our sale of services by 31.69% to ₹1,802.02 million for Fiscal 2023 from ₹2,637.99 million for Fiscal 2022.

Other income. Our other income decreased by 20.30% to ₹113.78 million for Fiscal 2023 from ₹142.76 million for Fiscal 2022.

Impairment gain on financial assets. Our impairment gain on financial assets decreased by 100% to Nil for Fiscal 2023 from ₹28.87 million for Fiscal 2022, primarily due to a decrease in the impairment gain on trade receivables arising from contracts with customer by 100% to Nil for Fiscal 2023 from ₹28.87 million for Fiscal 2022.

Expenses

Our expenses increased by 1.36% to ₹4,051.26 million for Fiscal 2023 from ₹3,996.73 million for Fiscal 2022.

Cost of Goods Sold. The cost of goods sold, which is the aggregate of our cost of raw materials consumed, purchase of stock-in-trade and increase/(decrease) in inventories of finished goods and work-in-progress, decreased by 1.94% from ₹3,060.73 million in Fiscal 2022 to ₹3001.30 million in Fiscal 2023.

Project cost. The project cost increased to ₹15.45 million for Fiscal 2023 from ₹1.97 million for Fiscal 2022, in line with the corresponding revenue from operations.

Employee benefits expense. Employee benefits expense increased by 13.03 % to ₹494.73 million for Fiscal 2023 from ₹437.71 million for Fiscal 2022, primarily due to an increase in salaries, wages and bonus by 13.98 % to ₹369.10 million for Fiscal 2023 from ₹323.82 million for Fiscal 2022.

Finance costs. Finance costs decreased by 8.12% to ₹36.04 million for Fiscal 2023 from ₹39.22 million for Fiscal 2022.

Depreciation and amortization expense. Depreciation and amortization expense increased 19.78% to ₹59.08 million for Fiscal 2023 from ₹49.32 million for Fiscal 2022. This was predominantly due to net increase in the gross carrying amount of property, plant and equipment and the resultant depreciation of property, plant, and equipment right of use assets during the year.

Impairment loss on financial assets and contract assets. Impairment loss on financial assets and contract assets increased to ₹4.24 million for Fiscal 2023 from Nil for Fiscal 2022, primarily due to an increase in the impairment loss on trade receivables arising from contracts with customer.

Other expenses. Our other expenses increased by 8.01% to ₹440.43 million for Fiscal 2023 from ₹407.78 million for Fiscal 2022, primarily on account of increase in expenses in line with the corresponding growth in the revenue.

Restated profit after tax for the year

For the reasons discussed above, the restated profit after tax for the year increased by 11.33% to ₹948.09 million for Fiscal 2023 from ₹851.60 million for Fiscal 2022.

Restated total other comprehensive profit for the year

Primarily for the reasons discussed above, our restated total comprehensive profit for the year increased from ₹850.48 million for Fiscal 2022 to ₹944.76 million for Fiscal 2023.

CASH FLOWS AND CASH AND CASH EQUIVALENTS

The following table sets forth our cash flows and cash and cash equivalents for the years indicated:

(in ₹ million)

Particulars	Three months ended June 30, 2024	Three months ended June 30, 2023	Fiscals		
			2024	2023	2022
Net cash flow from Operating Activities	598.84	(69.16)	(43.72)	321.60	(41.93)
Net cash generated from/ (used in) Investing Activities	78.17	(434.96)	(760.35)	(130.55)	(171.68)
Net cash flow used in Financing Activities	(598.78)	370.57	636.98	(228.73)	191.93
Cash and cash equivalents at the end of the year	**155.56**	**92.93**	**77.32**	**226.48**	**264.18**
Total cash and cash equivalents	**155.56**	**92.93**	**77.32**	**226.48**	**264.18**

Operating activities

Net cash flows from operating activities aggregated to ₹598.84 million for three months ended June 30, 2024. Our profit for the period before tax of ₹96.01 million, was adjusted for depreciation and amortization expense of ₹42.81 million, finance costs of ₹29.93 million, bad debts written off ₹0.46 million, and impairment (gain) / loss on financial asset of ₹(0.04) million. This was partially offset by interest income on fixed deposits of ₹(13.31) million, interest income on loans given of ₹(9.87) million, net (gain) / loss of sale of fixed assets of ₹(36.08) million and share of profit of the associate companies (net) of ₹(2.80) million. Our changes in working capital for three months ended June 30, 2024 primarily consisted of a decrease in other current liabilities of ₹177.08 million, a decrease in trade payables of ₹412.74 million, decrease in other financial liabilities of ₹84.93 million, increase in other financial assets of ₹35.88 million. This was partially offset by decrease in provision of ₹1.08 million, increase in inventories of ₹13.64 million, decrease in trade receivables of ₹1,320.37 million, increase in other current assets of ₹28.44 million, increase in non-current assets of ₹12.18 million.

Net cash flows from operating activities aggregated to ₹(69.16) million for three months ended June 30, 2023. Our profit for the period before tax of ₹44.02 million, was adjusted for depreciation and amortization expense of ₹18.53 million, finance costs of ₹8.23 million, and impairment (gain) / loss on financial asset of ₹0.34 million. This was partially offset by interest income on fixed deposits of ₹(4.07) million, interest income on loans given of ₹(1.54) million, net (gain) / loss on fair valuation of Mutual Funds of ₹(11.72) million and share of profit of the associate companies (net) of ₹(15.51) million. Our changes in working capital for three months ended June 2023 primarily consisted of a decrease in other current liabilities of ₹311.78 million, a decrease in trade payables of ₹515.47 million, decrease in other financial liabilities of ₹40.75 million, increase in other financial assets of ₹19.10 million. This was partially offset by increase in provision of ₹2.51 million, increase in inventories of ₹99.29 million, decrease in trade receivables of ₹621.57 million, decrease in other current assets of ₹279.63 million, increase in non-current assets of ₹0.03 million.

Net cash flows from operating activities aggregated to ₹(43.72) million for Fiscal 2024. Our profit for the year before tax of ₹1,934.47 million, was adjusted for depreciation and amortization expense of ₹124.58 million, finance costs of

₹87.76 million, bad debts written off ₹10.09 million, and impairment (gain) / loss on financial asset of ₹1.00 million. This was partially offset by interest income on fixed deposits of ₹(109.65) million, interest income on loans given of ₹(3.19) million, net (gain)/loss on fair valuation of mutual funds of ₹(11.72) million, net (gain) / loss of sale of fixed assets of ₹(16.42) million, net (gain)/loss of sale of investment property of ₹(16.63) million and share of profit of the associate companies (net) of ₹(24.06) million. Our changes in working capital for Fiscal 2024 primarily consisted of a decrease in other current liabilities of ₹111.33 million, an increase in trade payables of ₹29.43 million, increase in other financial liabilities of ₹83.81 million, increase in other financial assets of ₹153.74 million. This was partially offset by decrease in provision of ₹11.99 million, increase in inventories of ₹345.99 million, increase in trade receivables of ₹1561.74 million, decrease in other current assets of ₹193.28 million, increase in non-current assets of ₹58.91 million, adjustments on account of acquisition of subsidiary of ₹333.12 million.

Net cash flows from operating activities aggregated to ₹321.60 million for Fiscal 2023. Our profit for the year before tax of ₹1,272.51 million, was adjusted for depreciation and amortization expense of ₹59.08 million, finance costs of ₹36.04 million, bad debts written off ₹4.00 million, and impairment (gain)/loss on financial asset of ₹4.24 million. This was partially offset by interest income on fixed deposits of ₹(60.73) million, interest income on loans given of ₹(4.80) million, net (gain)/loss on fair valuation of mutual funds of ₹(4.22) million, net (gain)/loss of sale of fixed assets of ₹(1.11) million, net (gain)/loss of sale of investment property of ₹(19.91) million and share of profit of the associate companies (net) of ₹(13.13) million. Our changes in working capital for Fiscal 2023 primarily consisted of an increase in other current liabilities of ₹122.17 million, an increase in trade payables of ₹272.96 million, increase in other financial liabilities of ₹31.87 million, decrease in other financial assets of ₹29.50 million. This was partially offset by decrease in provision of ₹25.35 million, increase in inventories of ₹280.09 million, increase in trade receivables of ₹585.17 million, increase in other current assets of ₹176.90 million, increase in non-current assets of ₹1.27 million.

Net cash flows from operating activities aggregated to ₹(41.93) million for Fiscal 2022. Our profit for the year before tax of ₹1169.90 million, was adjusted for depreciation and amortization expense of ₹49.32 million, finance costs of ₹33.19 million, bad debts written off ₹35.71 million, and impairment (gain)/loss on financial asset of ₹(28.87) million. This was partially offset by interest income on fixed deposits of ₹(23.87) million, interest income on loans given of ₹(41.28) million, net (gain)/loss on fair valuation of mutual funds of ₹4.50 million, net (gain)/loss of sale of fixed assets of ₹(10.64) million, net (gain)/loss of sale of investment property of ₹(30.54) million and share of profit of the associate companies (net) of ₹(27.65) million. Our changes in working capital for Fiscal 2022 primarily consisted of a decrease in other current liabilities of ₹69.32 million, an increase in trade payables of ₹151.23 million, decrease in other financial liabilities of ₹163.91 million, decrease in other financial assets of ₹58.33 million. This was partially offset by increase in provision of ₹25.29 million, increase in inventories of ₹54.19 million, increase in trade receivables of ₹770.95 million, increase in other current assets of ₹59.87 million, decrease in non-current assets of ₹5.28 million.

Investing activities

Net cash flows generated from/ (used in) investing activities aggregated to ₹78.17 million for three months ended June 30, 2024, primarily due to ₹13.31 million for interest received on fixed deposits, ₹(99.46) million used for loans given (net) and ₹9.87 million for interest received on loans given. This was partially set off by ₹(54.04) million used for payment for property, plant and equipment and intangible assets, ₹ Nil generated from investment in equity instrument, ₹Nil generated from investment in mutual fund, ₹(2.40) million consideration paid on acquisition of subsidiary and ₹210.88 million from investment in fixed deposits (net).

Net cash flows generated from/ (used in) investing activities aggregated to ₹(434.96) million for three months ended June 30, 2023, primarily due to ₹4.07 million for interest received on fixed deposits, ₹18.45 million received for loans given (net) and ₹1.54 million for interest received on loans given. This was partially set off by ₹(169.80) million used for payment for property, plant and equipment and intangible assets, ₹ 0.07 million generated from investment in equity instrument, ₹201.94 million generated from investment in mutual fund, ₹2.00 million consideration received on acquisition of subsidiary and ₹(493.23) million for investment in fixed deposits (net).

Net cash flows generated from/ (used in) investing activities aggregated to ₹(760.35) million for Fiscal 2024, primarily due to ₹48.00 million generated from sale of investment property, ₹109.65 million for interest received on fixed deposits, ₹(120.23) million used for loans given (net) and ₹3.19 million for interest received on loans given. This was partially set off by ₹(241.59) million used for payment for property, plant and equipment and intangible assets, ₹ Nil generated from investment in equity instrument, ₹201.94 million generated from investment in mutual fund, ₹(151.96) million consideration paid on acquisition of subsidiary and ₹(609.36) million used for investment in fixed deposits (net).

Net cash flows generated from/ (used in) investing activities aggregated to ₹(130.55) million for Fiscal 2023, primarily due to ₹66.43 million generated from sale of investment property, ₹60.73 million for interest received on fixed deposits, ₹6.75 million used for loans given (net) and ₹4.80 million for interest received on loans given. This was partially set off by ₹(111.75) million used for payment for property, plant and equipment and intangible assets, ₹(37.23) million generated from investment in equity instrument and ₹(120.29) million used for investment in fixed deposits (net).

Net cash flows generated from/ (used in) investing activities aggregated to ₹(171.68) million for Fiscal 2022, primarily due to ₹96.47 million generated from sale of investment property, ₹23.87 million used for interest received on fixed deposits, ₹(87.33) million for loans given (net) and ₹41.28 million for interest received on loans given. This was partially set off by ₹(15.83) million used for payment for property, plant and equipment and intangible assets, ₹(190.50) million generated from investment in mutual fund and ₹(39.64) million used for investment in fixed deposits (net).

Financing activities

Net cash flows generated from (used in) financing activities aggregated to ₹(598.78) million for three months ended June 30, 2024, primarily due to repayment of short-term borrowings (net) of ₹(543.73) million and proceeds from long-term borrowings (net) of ₹106.27 million. This cash inflow was partially offset by dividend paid of ₹(124.55) million, interest paid on long-term borrowings of ₹(15.15) million, interest paid on short-term borrowings of ₹(11.84) million and repayment and interest paid on lease liability of ₹(9.78) million.

Net cash flows generated from (used in) financing activities aggregated to ₹370.57 million for three months ended June 30, 2023, primarily due to receipt of short-term borrowings (net) of ₹381.25 million. This cash inflow was partially offset by interest paid on long-term borrowings of ₹(0.48) million, interest paid on short-term borrowings of ₹(6.86) million and repayment and interest paid on lease liability of ₹(3.34) million.

Net cash flows generated from (used in) financing activities aggregated to ₹636.98 million for Fiscal 2024, primarily due to proceeds from short-term borrowings (net) of ₹385.44 million and proceeds from long-term borrowings (net) of ₹457.15 million. This cash inflow was partially offset by dividend paid of ₹(97.33) million, interest paid on long-term borrowings of ₹(31.89) million, interest paid on short-term borrowings of ₹(47.04) million and repayment and interest paid on lease liability of ₹(29.35) million.

Net cash flows generated from (used in) financing activities aggregated to ₹(228.73) million for Fiscal 2023, primarily due to proceeds from short-term borrowings (net) of ₹86.93 million and proceeds from long-term borrowings (net) of ₹(2.64) million. This cash inflow was partially offset by dividend paid of ₹(269.46) million, interest paid on long-term borrowings of ₹(14.90) million, interest paid on short-term borrowings of ₹(19.26) million and repayment and interest paid on lease liability of ₹(9.40) million.

Net cash flows generated from (used in) financing activities aggregated to ₹191.93 million for Fiscal 2022, primarily due to proceeds from short-term borrowings (net) of ₹226.03 million and proceeds from long-term borrowings (net) of ₹0.99 million. This cash inflow was partially offset by dividend paid of Nil, interest paid on long-term borrowings of ₹(14.57) million, interest paid on short-term borrowings of ₹(17.73) million and repayment and interest paid on lease liability of ₹ (2.79) million.

INDEBTEDNESS

The following table sets forth our financial indebtedness as of September 30, 2024:

(in ₹ million)

Category of borrowing	Sanctioned amount as on September 30, 2024	Outstanding amount as on September 30, 2024

Borrowings of our Company		
Secured Borrowings (A)		
Term loans	100.00	83.33
Working Capital Facilities		
(A) Fund based working capital loans	422.50	18.97
(B) Non-fund based working capital loans*	2,102.70	489.49
(C) Fixed Deposit – Overdraft	1,050.00	369.80
Unsecured Borrowings (B)		
Total unsecured borrowings	0.00	0.00
Total (I = A + B)	3,675.20	961.60
Borrowings of our Subsidiaries		
Secured Borrowings (C)		
Term loans	621.10	560.59
Working Capital Facilities		
(A) Fund based working capital loans	211.47	93.62
(B) Non-fund based working capital loans	160.00	104.67
Unsecured Borrowings (D)		
Inter corporate unsecured loans	20.75	20.75
Total (II = C + D)	1,013.33	779.63
Total (I + II)	**4,688.53**	**1,741.23**

**Note: Working capital facility availed by one foreign subsidiary is in Euros. The sanctioned amount and outstanding amounts have been converted to INR as per the RBI reference rate of INR 93.53 as on September 30, 2024.*

For further details of financial indebtedness, see *"Financial Indebtedness"* on page 476.

LIQUIDITY AND CAPITAL RESOURCES

We believe we have sufficient sources of funding to meet our business requirements for the next 12 months. Cash generated from operations, supplemented by committed credit lines have been our primary source of liquidity for funding our business requirements. We have historically financed the expansion of our business and operations primarily through owned funds, funds generated from our operations and debt financing. We may obtain loan facilities to finance our short-term working capital requirements, from time to time. For further details, see "*Restated Consolidated Financial Information - Note 56 - Risk Management Framework – (C) Liquidity Risk*" on page 433.

CAPITAL EXPENDITURE

Capital expenditure primarily relates to our expenditure on property, plant and equipment. The capital expenditure is primarily funded through internal accruals and equity. In the three months ended June 30, 2024 and June 30, 2023, and Fiscals 2024, 2023 and 2022, we incurred capital expenditure towards property, plant and equipment of ₹17.78 million, ₹169.60 million, ₹274.96 million, ₹111.77 million and ₹29.66 million, respectively.

CONTINGENT LIABILITIES

As of June 30, 2024, the contingent liabilities not accounted for in our Restated Consolidated Financial Statements were as follows:

(in ₹ million)

Particulars	As at June 30, 2024
Customs Notice has been received for period FY 2008-09 to FY 2012-13	0.21

For further information, see "*Restated Consolidated Financial Information – Note 50 - Contingent liabilities and commitments*" on page 401.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

For the three months period ended June 30, 2024 and June 30, 2023, and the last three Fiscals, the estimated amount of contracts remaining to be executed on capital accounts and not provided for were Nil.

Further, as on June 30, 2024, there are no future capital commitments made by us.

QUANTITATIVE AND QUALITATIVE ANALYSIS OF MARKET RISKS

We are exposed to various types of risks during the normal course of business. For further details, see "*Risk Factors*" on page 44.

Market risk

Market risk refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: (i) foreign currency risk, (ii) interest rate risk, and (iii) price risk. The Group's exposure to market risk is on account of foreign currency risk and interest rate risk. For further information, see "*Restated Consolidated Financial Information - Note 56 - Risk Management Framework – (A) Market Risk*" on page 426.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms and obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of the customer on continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The financial instruments that are subject to concentration of credit risk principally consist of trade receivables and cash and bank equivalents. For further information, see "*Restated Consolidated Financial Information - Note 56 - Risk Management Framework – (B) Credit Risk*" on page 429.

Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to maintain optimum levels of liquidity and to ensure that funds are available for use as per requirement. The liquidity risk principally arises from obligations on account of financial liabilities viz. borrowings, trade payables and other financial liabilities. The corporate finance department of the Group is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. For further information, see "*Restated Consolidated Financial Information - Note 56 - Risk Management Framework – (C) Liquidity Risk*" on page 433.

Currency risk

The currency risk refers to the exchange rate risk, arising from the change in price of one currency in relation to another. We are not exposed to foreign currency transactions, hence there is no associated currency risk.

Interest rate risk

The interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in the market interest rates relates primarily to our long-term debt obligations with floating interest rates. Our Company is not exposed to significant interest rate risk as at the respective reporting dates.

AUDITOR QUALIFICATIONS AND EMPHASIS OF MATTER

Except as disclosed in the Restated Consolidated Financial Information, there are no reservations, qualifications, adverse remarks and matters of emphasis included in the Restated Consolidated Financial Information.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

There have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject to significant economic changes arising from the trends identified above in "*Significant Factors Affecting our Financial Conditions and Results of Operations*" above and the uncertainties described in "*Risk Factors*" on page 44. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND REVENUE

Other than as described in "*Risk Factors*" and this section, there are no known factors that might affect the future relationship between cost and revenue.

RELATED PARTY TRANSACTIONS

We have engaged in the past, and may engage in the future, in transactions with related parties. For details of our related party transactions, see "*Other Financial Information – Related Party Transactions*" on page 445.

COMPETITIVE CONDITIONS

We operate in a competitive environment. Please refer to "*Risk Factors*", "*Industry Overview*" and "*Our Business*" on pages 44, 181 and 253, respectively, for further information on competitive conditions that we face across our various business verticals.

SEASONALITY AND CYCLICALITY OF BUSINESS

A significant portion of our revenue from operations is made / realised in the second half of the financial year, i.e. between October to March of the relevant fiscal. To that extent, our business may be considered seasonal. The table below provides details of our revenue (on a standalone basis) from Indian WWT business during the last three fiscals:

Period	**Percentage of standalone revenue from operations from Indian WWT business during**		
	Fiscal 2024	**Fiscal 2023**	**Fiscal 2022**
First half of the financial year	22.50%	26.86%	19.69%
Second half of the financial year	77.50%	73.14%	80.31%
Total	*100.00%*	*100.00%*	*100.00%*
% of Revenue from WWT to Total Revenue from Operations (on Standalone Basis)	98.55%	85.02%	73.72%

For further information, see "*Risk Factors – Our WWT operations in India experience seasonality, and any disruptions or underperformance during seasonal periods could negatively affect our results of operations and financial condition.*" on page 64.

EXTENT TO WHICH MATERIAL INCREASES IN NET SALES OR REVENUE ARE DUE TO INCREASED SALES VOLUME, INTRODUCTION OF NEW PRODUCTS OR SERVICES OR INCREASED SALES PRICES

Changes in revenue in the three months ended June 30, 2024 and June 30, 2023, and the last three Fiscals, are as described in "*Three months ended June 30, 2024 compared to three months ended June 30, 2023*", "*Fiscal 2024* *compared to Fiscal 2023*" and "*Fiscal 2023 compared to Fiscal 2022*" above on pages 464, 466 and 467, respectively.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS OR SUPPLIERS

We are dependent on certain of our customers for a significant portion of revenue from operations. For an analysis of the risk associated with our customer concentration, see "*Risk Factors - We derive a significant part of our revenue from our top 10 customers and we do not have long term contracts with most of these customers. If one or more of such customers choose not to source their requirements from us or to terminate our long-term contracts, our business, results of operations and financial condition may be adversely affected*" on page 45. The table below sets forth details of our revenue from operations generated from our top one, top five and top 10 customers in the periods indicated:

Customer Concentration	Three months period ended June 30, 2024		Fiscal					
			2024		2023		2022	
	Revenue from operations (₹ million)	% of Revenue from operations	Revenue from operations (₹ million)	% of Revenue from operations	Revenue from operations (₹ million)	% of Revenue from operations	Revenue from operations (₹ million)	% of Revenue from operations
Top 1	157.52	16.74%	707.94	10.57%	821.21	15.80%	870.95	17.53%
Top 5	467.26	49.66%	2,664.84	40.48%	2,541.64	48.91%	2,580.70	51.95%
Top 10	591.88	62.91%	3,891.10	59.10%	3,045.14	58.60%	3,126.94	62.95%

Note: The top 1, top 5 and top 10 customers in each Fiscal may not be the same.

We are dependent on certain of our suppliers from whom we make significant purchases of stock in trade and material consumed. For further details, see "*Risk Factors - Failure by third parties to supply, manufacture or deliver materials and components according to schedules, prices, quality, and volumes that are acceptable to us, or our inability to manage these materials and parts effectively may lead to delays in delivery of technology solutions to our customers, resulting in an adverse effect on our business, sales, and our ability to retain and expand our base of customers*" on page 52. Some of our top suppliers also include suppliers based out of India, and we may face risks associated with conducting transactions in foreign currencies. For an analysis of the risk associated with conducting foreign currencies transactions, see "*Risk Factors - We conduct transactions in foreign currencies and are exposed to risks associated with foreign exchange rate fluctuations*" on page 71. The table below sets forth details of our consolidated expenses for purchases of stock in trade and cost of material consumed to our top one, top five and top 10 suppliers in the financials years indicated:

Supplier Concentration	Three months ended June 30, 2024		Fiscal					
			2024		2023		2022	
	Purchase of stock in trade and raw material (₹ million)	% of stock in trade and raw material	Purchase of stock in trade and raw material (₹ million)	% of stock in trade and raw material	Purchase of stock in trade and raw material (₹ million)	% of stock in trade and raw of material	Purchase of stock in trade and raw material (₹ million)	% of stock in trade and raw material
Top 1	72.43	15.55%	544.30	15.80%	392.00	11.96%	356.00	11.41%
Top 5	175.21	37.61%	1,667.77	48.42%	1,535.00	46.83%	1,182.00	37.87%
Top 10	246.67	52.95%	2,189.94	63.59%	2,019.00	61.60%	1,480.00	47.42%

Note: The top 1, top 5 and top 10 suppliers in each Fiscal may not be the same.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as disclosed in "*Our Business*" on page 253, and capabilities that we develop in the ordinary course of business, we have not announced and do not expect to announce in near future any new technologies or business segments.

SEGMENT REPORTING

Our business activities primarily falls within three business segments, (i) WWT segment; (ii) SWT segment, and (iii) Automation. For further information, see "*Restated Consolidated Financial Information – Note 54 - Segment Reporting*" on page 417.

SIGNIFICANT DEVELOPMENTS AFTER JUNE 30, 2024 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

To our knowledge no circumstances have arisen since June 30, 2024 that could materially and adversely affect or are likely to affect, the trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

Our Company and our Subsidiaries avail loans and financing facilities in the ordinary course of their business for meeting their working capital and business requirements. For details regarding the borrowing powers of our Board, please see "*Our Management – Borrowing Powers*" on page 305.

We have obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Offer, including *inter alia* effecting changes in our capital structure, shareholding pattern, Board composition and constitutional documents.

As of September 30, 2024, our outstanding borrowings (on a consolidated basis) aggregated to ₹1,741.23 million.

The details of the indebtedness of our Company (on a consolidated basis) as on September 30, 2024 are provided below:

(in ₹ million)

Category of borrowing	Sanctioned amount as on September 30, 2024*	Outstanding amount as on September 30, 2024*
Borrowings of our Company		
Secured Borrowings (A)		
Term loans	100.00	83.33
Working Capital Facilities		
(A) Fund based working capital loans	422.50	18.97
(B) Non-fund based working capital loans^	2,102.70	489.49
(C) Fixed deposit - overdraft	1,050.00	369.80
Unsecured Borrowings (B)		
Total unsecured borrowings	Nil	Nil
Total (I = A + B)	**3,675.20**	**961.60**
Borrowings of our Subsidiaries		
Secured Borrowings (C)		
Term loans	621.10	560.59
Working Capital Facilities		
(A) Fund based working capital loans	211.47	93.62
(B) Non-fund based working capital loans	160.00	104.67
Unsecured Borrowings (D)		
Inter corporate unsecured loans	20.75	20.75
Total (II = C + D)	**1,013.33**	**779.63**
Total (I + II)	**4,688.53**	**1,741.23**

**As certified by Statutory Auditors, pursuant to their certificate dated December 2, 2024.*
^*Working capital facility availed by our foreign Subsidiary is in Euros. The sanction amount and outstanding amounts have been converted to Indian Currency as per the RBI reference rate of ₹93.54 as on September 30, 2024.*

Principal terms of the borrowings availed by our Company and our Subsidiaries:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financing documentation executed by our Company and our Subsidiaries in relation to our indebtedness.

1. ***Interest:*** The applicable rate of interest for the various facilities in India availed by us are typically linked to benchmark rates, such as the marginal cost of lending rate ("**MCLR**") and repo rate as prescribed by the RBI of a specific lender, over a specific period of time and specified spread per annum, and are subject to mutual discussions between the relevant lenders and us. In most of our facilities, a spread per annum is charged above these benchmark rates, and the spread ranges between 0.30% to 3.25% per annum.

2. ***Tenor and repayment:*** The tenor of certain working capital facilities availed by us ranges up to 12 months from the date of sanction and are subject to renewal on yearly basis, whereas the tenor for the term loan facilities availed by us ranges up to 84 months. Certain of our working capital facilities are repayable on demand while certain are repayable on the basis of a mutually agreed repayment schedule.

3. ***Penal Interest:*** The terms of certain financing facilities availed by us prescribe penalties for non-compliance of certain obligations by us. These include *inter alia* breach of financial covenants, non-creation of security within timeline, delay or failure to obtain external credit risk rating from RBI-approved agency, non-submission or delay in submission of audited balance sheet, stock and property insurance policy, etc. The terms of certain borrowings availed by us prescribe a penalty interest rate that ranges from 1% to 2% per annum over and above the applicable interest rate depending on account of non-compliance of certain obligations or as may be mutually agreed between our Company / Subsidiaries and their respective lenders.

4. ***Pre-payment penalty:*** Our borrowings typically have pre-payment provisions which allow for pre-payment of the outstanding amount at any given point in time, subject to the conditions specified in the borrowing arrangements. Certain of the working capital facilities and term loan borrowings availed by us carry a pre-payment penalty which ranges from 1% to such higher rate on the pre-paid amount based on lenders extant guidelines or as may be mutually agreed between us and the respective lenders.

5. ***Security:*** In terms of our borrowings where security needs to be created, we are required to *inter alia*:

   (a) create charge on the entire current assets (both present and future) of our Company and of our Subsidiaries namely, Vasudha Waste Treatment Private Limited, Chavare Engineering Private Limited and Pentagen Biofuels Private Limited;
   (b) create simple or equitable mortgage on properties owned by our Company;
   (c) create lien on fixed deposit receipt;
   (d) furnish personal guarantee from one of our Promoter namely, Sandeep Sudhakar Asolkar in the borrowings availed by our Company and one of our Subsidiary namely, Pentagen Biofuels Private Limited; and
   (e) furnish corporate guarantee in relation to the credit facilities availed by our Subsidiaries namely, Pentagen Biofuels Private Limited, Chavare Engineering Private Limited and Vasudha Waste Treatment Private Limited.

   The abovementioned list is indicative and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

6. ***Key Covenants:*** The financing arrangement entered into by us entail various restrictive conditions and covenants restricting certain corporate actions and we are required to take the prior approval of the lenders before carrying out such activities.

   For instance, certain corporate actions for which we require the prior written consent of the lenders include:

   (a) Effecting any change in our shareholding pattern or the capital structure of our Company;
   (b) Making any amendments to the constitutional documents of our Company;
   (c) Effecting any change in the ownership, control or management of our Company;
   (d) Undertaking any expansion or investing in any other entity;
   (e) Declare or pay any dividend for any year except out of the profits of the relevant year.

   The abovementioned list is indicative and there may be additional restrictive conditions and covenants where we may be required to take prior written consent or intimate the respective lender under the various borrowing arrangements entered into by us.

7. ***Events of default:*** The borrowing facilities availed by us contain certain standard events of default, including:

   (a) Default in payment / repayment of interest or instalment amount on relevant due dates;
   (b) Any change of ownership, control and/or management of the Company without the prior consent of the lenders;
   (c) Occurrence of material adverse effect (as defined in the relevant financing documents);
   (d) Appointment of receiver with respect to whole or part of property;
   (e) Failure to create security as stipulated in the financing documents;
   (f) Initiation of insolvency, bankruptcy, winding-up or liquidation proceedings of the Company.

The above is an indicative list and there may be additional events of default under various borrowing arrangements entered into by us.

8. ***Consequences of occurrence of events of default:*** In terms of our borrowing arrangements, due to the occurrence of events of default, our lenders may:

(a) Declare all amounts outstanding in respect of facilities due and immediately payable;
(b) Cancel undrawn commitment and suspend withdrawals under the facilities;
(c) Enforce security;
(d) Require the Company to reconstitute its Board;
(e) Appoint a nominee director / observer on the Board of our Company;
(f) Appoint auditors to examine the financial or conduct a special audit of our Company;
(g) Convert outstanding loan obligations into Equity Shares or other securities of our Company.

The above is an indicative list and there may be additional consequences of an event of default under various borrowing arrangements entered into by us, and the same may lead to consequences other than those stated above.

For risk in relation to the financial and other covenants required to be complied with in relation to our borrowings, see "*Risk Factors – We have incurred indebtedness and are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, accelerated repayment schedule, enforcement of security and suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows.*" on page 53.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Except as stated below, there are no outstanding (i) criminal proceedings (including matters at FIR stage where no / some cognizance has been taken by any court); (ii) actions by statutory or regulatory authorities; (iii) claims for any direct or indirect tax liabilities; or (iv) proceedings (other than proceedings covered under (i) to (ii) above) which have been determined to be material pursuant to the Materiality Policy (as disclosed herein below), involving our Company, Directors, Promoters or Subsidiaries (the "**Relevant Parties**").*

*In relation to (iv) above, our Board in its meeting held on August 14, 2024 has considered and adopted a policy of materiality for identification of material litigation / arbitration ("**Materiality Policy**"). In terms of the Materiality Policy, the following shall be considered 'material' for the purposes of disclosure in the Draft Red Herring Prospectus, if:*

*(i) The monetary claim made by or against the Relevant Parties in any such litigation / arbitration proceedings is equal to or in excess of (i) 2% of our turnover, derived from the Restated Consolidated Financial Information as at March 31, 2024; or (ii) 2% of our net worth derived from the Restated Consolidated Financial Information as at March 31, 2024; or (iii) 5% of the average of absolute value of profit or loss after tax derived from Restated Consolidated Financial Information for the last three Financial Years, whichever is lower ("**Materiality Threshold**"); or*

(ii) Any litigation, irrespective of the amount involved, involving the Relevant Parties have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company; or

(iii) Any litigation proceedings involving the Relevant Parties where the decision in one case is likely to affect the decision in similar matters such that the cumulative amount involved in such matters exceeds the Materiality Threshold, even though the amount involved in an individual matter may not exceed the Materiality Threshold.

2% of turnover, as per the Restated Consolidated Financial Information as at March 31, 2024 is ₹131.68 million, 2% of net worth, as per the Restated Consolidated Financial Information as at March 31, 2024 is ₹106.86 million and 5% of the average of absolute value of profit or loss after tax, as per the Restated Consolidated Financial Information for the last three Financial Years is ₹54.02 million. Accordingly, ₹54.02 million has been considered as the Materiality Threshold.

Further, except as disclosed in this section, there are no (i) disciplinary actions taken against any of our Promoters by SEBI or any stock exchange in the five Fiscals preceding the date of this Draft Red Herring Prospectus; or (ii) litigation involving any Group Companies which may have a material impact on our Company.

For the purposes of the above, pre-litigation notices received by Relevant Parties and Group Companies from third parties (excluding those notices issued by statutory / regulatory / governmental / judicial authority or notices threatening criminal action) shall, in any event, not be considered as litigation and accordingly not be disclosed in the Offer Documents until such time that Relevant Parties, as applicable, are impleaded as defendants in litigation proceedings before any court, arbitral forum, tribunal or governmental authority.

All terms defined in a particular litigation disclosure below are for that particular litigation only.

Further, our Board, in its meeting held on August 14, 2024 has approved that a creditor of our Company shall be considered 'material' if the amount due to such creditor exceeds 5% of the consolidated trade payables of our Company as of the end of the most recent period covered in the Restated Consolidated Financial Information. The trade payables of our Company as on June 30, 2024, were ₹694.40 million. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹34.72 million as on June 30, 2024.

Unless stated to the contrary, the information provided below is as on the date of this Draft Red Herring Prospectus.

Litigation proceedings involving our Company

(a) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings involving our Company.

(b) Actions by statutory or regulatory authorities

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by statutory or regulatory authorities against our Company.

(c) Claims related to direct and indirect taxes

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving our Company:

S. No.	Nature of Proceedings	Number of cases	Approximate amount in dispute (in ₹ million)*
1.	Direct Tax	5	14.58
2.	Indirect Tax	3	5.68
	Total	**8**	**20.26**

**To the extent quantifiable.*

(d) Other material proceedings

As on the date of this Draft Red Herring Prospectus, there are no other proceedings involving our Company, which have been considered material by our Company in accordance with the Materiality Policy.

Litigation proceedings involving our Subsidiaries

(a) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings involving our Subsidiaries.

(b) Actions by statutory or regulatory authorities

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by statutory or regulatory authorities against our Subsidiaries.

(c) Claims related to direct and indirect taxes

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving our Subsidiaries:

S. No.	Nature of Proceedings	Number of cases	Approximate amount in dispute (in ₹ million)*
1.	Direct Tax	1	0.00**
2.	Indirect Tax	4	26.89
	Total	**5**	**26.89**

**To the extent quantifiable.*
***Represents an amount less than ₹0.00 million.*

(d) Other material proceedings

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no other proceedings involving our Subsidiaries, which have been considered material:

Municipality of Paços de Ferreira ("**Petitioner**") filed a suit before the Administrative and Fiscal Court of Porto (Tribunal Administrativo E Fiscal Do Porto Unidade Orgânica 2) Portugal against our Subsidiary, SFC Umwelttechnik GmbH and others ("**Suit**"). In the Suit, it was alleged that there were technical deficiencies in the supplies by SFC Umwelttechnik GmbH in the supply of its services and equipment for the sewage treatment plant in Arreigada, Portugal pursuant to the Sale Contract dated October 8, 2018 (read with addendum dated March 21, 2019) to Hidurbe Servicos, S.A. In the Suit, the Petitioner has demanded liquidated damages of around €5.6 million* from SFC Umwelttechnik GmbH. SFC Umwelttechnik GmbH submitted the statement of defence for the said Suit on October 28, 2024. The matter is currently pending.

* *Amounts to ₹500.42 million (For the purposes of calculation of amount in ₹ terms, the exchange rate as on November 29, 2024 has been considered. The rate of conversion of 1 Euro as on November 29, 2024 was ₹89.36 (Source: www.rbi.org.in).*

Litigation proceedings involving our Directors

(a) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings involving any of our Directors.

(b) Actions by statutory or regulatory authorities

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by statutory or regulatory authorities against our Directors.

(c) Claims related to direct and indirect taxes

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving any of our Directors:

S. No.	Nature of Proceedings	Number of cases	Approximate amount in dispute (in ₹ million)*
1.	Direct Tax	2	0.30
2.	Indirect Tax	Nil	Nil
	Total	**2**	**0.30**

**To the extent quantifiable.*

(d) Other pending proceedings

As on the date of this Draft Red Herring Prospectus, there are no other pending proceedings involving any of our Directors, which have been considered material by our Company in accordance with the Materiality Policy.

Litigation proceedings involving our Promoters

(a) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings involving our Promoters

(b) Actions by statutory or regulatory authorities

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by statutory or regulatory authorities against our Promoters.

(c) Claims related to direct and indirect taxes

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct or indirect taxes involving our Promoters:

S. No.	Nature of Proceedings	Number of cases	Approximate amount in dispute (in ₹ million)*
1.	Direct Tax	2	0.00**
2.	Indirect Tax	Nil	Nil
	Total	**2**	**0.00**

**To the extent quantifiable.*
***Represents an amount less than ₹0.00 million.*

(d) Other pending proceedings

As on the date of this Draft Red Herring Prospectus, there are no other pending proceedings involving our Promoters, which have been considered material by our Company in accordance with the Materiality Policy.

(e) Disciplinary action including any penalty taken against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus by SEBI or any stock exchange

No disciplinary action including any penalty has been taken against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus either by SEBI or any stock exchange.

Litigation proceedings involving our Group Companies

As on the date of this Draft Red Herring Prospectus, there are no pending litigation proceedings involving any Group Company which has a material impact on our Company.

Outstanding dues to small scale undertakings, material creditors, and any other creditors

In terms of the Materiality Policy, such creditors are considered 'material' to whom the amount due exceeds 5% of the consolidated trade payables of our Company as on June 30, 2024. Our Company owed a total sum of ₹694.40 million to a total number of 301 creditors as on June 30, 2024. The details of our outstanding dues to the 'material' creditors of our Company, MSMEs, and other creditors, on a consolidated basis, as on June 30, 2024, are as follows:

Particulars*	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises	108	123.95
Material Creditors	2	438.30
Other Creditors	191	132.15
Total	**301**	**694.40**

**As certified by GBCA & Associates LLP, Chartered Accountants, pursuant to their certificate dated December 2, 2024.*

For complete details of outstanding dues to material creditors, see https://sfcenvironment.com/investors/financial-highlights/material-creditors/.

Material Developments

Except as stated in the section "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 447, there have not arisen, since the date of the last Restated Consolidated Financial Information disclosed in this Draft Red Herring Prospectus, any circumstances that could materially and adversely affect or are likely to affect the trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Set out below is an indicative list of all consents, licenses, approvals, registrations, and permits obtained by our Company and our material subsidiaries which are considered material and necessary for the purpose of undertaking our business activities and operations, and except as disclosed herein, we have obtained all material consents, licenses, registrations, permissions and approvals from various governmental, statutory and regulatory authorities, which are considered material and necessary for undertaking the current business activities and operations of our Company and our material subsidiaries. Except as disclosed below, no further material approvals are required for carrying on the present business and operations of our Company and our material subsidiaries. In the event any of the approvals and licenses that are required for our business and operations expire in the ordinary course, we make applications for their renewal from time to time. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus.

For details in connection with the regulatory and legal framework within which our Company operates, see "Key Regulations and Policies in India" on page 280.

For Offer related approvals obtained by our Company, see "Other Regulatory and Statutory Disclosures" on page 489. For details of the risk associated with a delay in obtaining, or not obtaining, the requisite material approvals, see "Risk Factors – In the event we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, including due to any default on the part of the owners of the properties we lease, our business, cash flows and results of operations may be adversely affected." on page 66.

I. Material approvals in relation to our Company

(i) Incorporation details

a) Certificate of incorporation dated March 29, 2005, issued by the RoC, in the name of 'SFC Environmental Technologies Private Limited', with Corporate Identity Number (CIN) 'U90000MH2005PTC152235'.

b) Fresh certificate of incorporation dated August 13, 2024 issued by the Registrar of Companies, Central Processing Centre, pursuant to conversion of our Company from a 'private limited company' to a 'public limited company' and consequential change in our name from 'SFC Environmental Technologies Private Limited' to 'SFC Environmental Technologies Limited'. The new Corporate Identity Number of our Company is 'U37003MH2005PLC152235'.

   For further details, see "*History and Certain Corporate Matters*" beginning on page 285.

(ii) Tax related approvals

a) The permanent account number of our Company is 'AAICS9032P', issued by the Income Tax Department, Government of India under the Income-tax Act, 1961.

b) The tax deduction account number of our Company is 'MUMS47227F', issued by the Income Tax Department, Government of India under the Income-tax Act, 1961.

c) Goods and service tax registration under the applicable central and state goods and service tax legislations in the states of Maharashtra and Goa issued by the relevant central and state authorities.

d) Professional tax certificates, issued by the Sales Tax Department, Government of Maharashtra, under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

(iii) Business and environment related approvals

a) Consent to operate and authorisation, issued by the Maharashtra Pollution Control Board under Section 21 of Air (Prevention and Control of Pollution) Act, 1981, Section 25 of Water (Prevention and Control of

Pollution) Act, 1974 and Rule 6 and Rule 18(7) of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 for our Pune Facility – I and Pune Facility - II.

b) Certificate of registration under the Maharashtra Shops and Establishments (Regulation of Employment and Service) Act, 2017 for our Registered Office.

c) Certificate of importer-exporter code issued by the Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India under the Foreign Trade (Development and Regulation) Act, 1992.

(iv) Labour / employment related approvals

a) Certificate of registration issued by the Employees State Insurance Corporation under the Employee State Insurance Act, 1948.

b) Certificate of registration, issued by the Employees' Provident Fund Organisation under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

II. Approvals in relation to our material subsidiaries

(A) Hindustan Waste Treatment Private Limited ("HWTPL")

(i) Incorporation details

(a) Certificate of incorporation dated June 27, 2014, issued by the RoC, in the name of 'Hindustan Waste Treatment Private Limited', with Corporate Identity Number (CIN) 'U90002MH2014PTC255728'.

(ii) Tax related approvals

(a) The permanent account number of HWTPL is 'AADCH4249J', issued by the Income Tax Department, Government of India under the Income-tax Act, 1961.

(b) The tax deduction account number of HWTPL is 'PNEH07948D', issued by the Income Tax Department, Government of India under the Income-tax Act, 1961.

(c) The goods and service tax registration number of HWTPL is '30AADCH4249J1ZR', under the Goa Goods and Service Tax Act, 2017.

(d) Professional tax certificates, issued by the Sales Tax Department, Government of Maharashtra, under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

(iii) Business and environment related approvals

(a) Consent to operate, issued by the Goa State Pollution Control Board under Section 21 of Air (Prevention and Control of Pollution) Act, 1981 and Section 25/26 of Water (Prevention and Control of Pollution) Act, 1974.

(b) Registration and license to work as factory, issued by Chief Inspector of factories and Boilers, Inspectorate of Factories and Boilers, Government of Goa under the Factories Act, 1948 for the North Goa Plant.

(c) Fire no-objection certificate from the Directorate of Fire and Emergency Services, Government of Goa.

(d) Certificate of verification, issued by Office of the Controller, Legal Metrology, Government of Goa under the Goa Legal Metrology Rules, 2011.

(e) Importer-exporter code, issued by Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India under Foreign Trade (Development and Regulation) Act, 1992.

(iv) Labour / employment related approvals

(a) Certificate of registration issued by the Employees State Insurance Corporation under the Employee State Insurance Act, 1948.

(b) Certificate of registration, issued by the Employees' Provident Fund Organisation under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

(B) Vasudha Waste Treatment Private Limited ("VWTPL")

(i) Incorporation details

(a) Certificate of incorporation dated May 26, 2014, issued by the RoC, in the name of 'Vasudha Waste Treatment Private Limited', with Corporate Identity Number (CIN) 'U90000MH2014PTC255305'.

(ii) Tax related approvals

(a) The permanent account number of VWTPL is 'AAECV8092L', issued by the Income Tax Department, Government of India under the Income-tax Act, 1961.

(b) The tax deduction account number of VWTPL is 'PNEV11433C', issued by the Income Tax Department, Government of India under the Income-tax Act, 1961.

(c) The goods and service tax registration number of VWTPL is '30AAECV8092L1ZZ', under the Goa Goods and Service Tax Act, 2017.

(d) Professional tax certificates, issued by the Sales Tax Department, Government of Maharashtra, under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

(iii) Business and environment related approvals

(a) Registration and license to work as factory, issued by Chief Inspector of Factories and Boilers, Inspectorate of Factories and Boilers, Government of Goa under the Factories Act, 1948.

(b) Fire no-objection certificate from the Directorate of Fire and Emergency Services, Government of Goa

(c) Consent to operate, issued by the Goa State Pollution Control Board under Section 21 of Air (Prevention and Control of Pollution) Act, 1981 and Section 25/26 of Water (Prevention and Control of Pollution) Act, 1974.

(d) Certificate of verification, issued by Office of the Controller, Legal Metrology, Government of Goa under the Goa Legal Metrology Rules, 2011.

(iv) Labour / employment related approvals

(a) Certificate of registration issued by the Employees State Insurance Corporation under the Employee State Insurance Act, 1948.

(b) Certificate of registration, issued by the Employees' Provident Fund Organisation under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

(C) Chavare Engineering Private Limited ("CEPL")

(i) Incorporation details

(a) Certificate of incorporation dated June 21, 1996, issued by the RoC, in the name of 'Chavare Engineering Private Limited', with Corporate Identity Number (CIN) 'U29100MH1996PTC100426'.

(ii) Tax related approvals

a) The permanent account number of CEPL is 'AAACC7062R', issued by the Income Tax Department, Government of India under the Income-tax Act, 1961.

b) The tax deduction account number of CEPL is 'PNEC05602C', issued by the Income Tax Department, Government of India under the Income-tax Act, 1961.

c) The goods and service tax registration number of CEPL is '27AAACC7062R1Z5', under the Maharashtra Goods and Service Tax Act, 2017.

d) Professional tax certificates, issued by the Sales Tax Department, Government of Maharashtra, under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

(iii) Business and environment related approvals

a) Certificate of importer-exporter code issued by the Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India under the Foreign Trade (Development and Regulation) Act, 1992

b) Registration and license to operate factory, issued by Directorate of Industrial Safety and Health (Labour Department), Government of Maharashtra under the Factories Act, 1948.

(iv) Labour / employment related approvals

a) Certificate of registration issued by the Employees State Insurance Corporation under the Employee State Insurance Act, 1948.

b) Certificate of registration, issued by the Employees' Provident Fund Organisation under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

III. Material approvals pending in respect of our Company

Material approvals applied for, including renewal applications, but not received

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no material approvals applied for, including renewal applications, that have not been received by our Company:

a) Our Company has filed an application dated August 22, 2024 for issuance of factory license under the provisions of the Factories Act, 1948 for our Pune Facility - II.

Material approvals expired and renewals yet to be applied for

As on the date of this Draft Red Herring Prospectus, there are no material approvals which have expired and for which renewal applications are yet to be made by our Company.

Material approvals required but not obtained or applied for

As on the date of this Draft Red Herring Prospectus, there are no material approvals which are required but which have not been obtained or for which applications are yet to be made by our Company.

IV. Material approvals pending in respect of our material subsidiaries

Material approvals applied for, including renewal applications, but not received

As on the date of this Draft Red Herring Prospectus, there are no material approvals applied for, including renewal applications, that have not been received by our material subsidiaries.

Material approvals expired and renewals yet to be applied for

As on the date of this Draft Red Herring Prospectus, there are no material approvals which have expired and for which renewal applications are yet to be made by our material subsidiaries.

Material approvals required but not obtained or applied for

As on the date of this Draft Red Herring Prospectus, there are no material approvals which are required but which have not been obtained or for which applications are yet to be made by our material subsidiaries.

V. Intellectual property

As on the date of this Draft Red Herring Prospectus, our Company has the following three registered trade marks in India:

Registered Trade Mark	Class of trade mark under Trade Marks Act	Registering Authority
SFC ENVIRONMENTAL TECHNOLOGIES	40	Trade Marks Registry, Mumbai
C-TECH	99	Trade Marks Registry, Mumbai
OREX	40	Trade Marks Registry, Mumbai

Further, our Company has filed the applications for registration of the following logos with the Trade Marks Registry, Mumbai:

Trade Mark	Class of trade mark under Trade Marks Act	Registering Authority

SFC ENERGY & ENVIRONMENT	40	Trade Marks Registry, Mumbai
SFC ENERGY & ENVIRONMENT	42	Trade Marks Registry, Mumbai

For further details in relation to our intellectual property, see "*Our Business – Intellectual Property*" on page 277.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorized by a resolution of our Board dated August 14, 2024 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated September 5, 2024. Further, our Board has taken on record the consent of the Selling Shareholders, severally and not jointly, to participate in the Offer for Sale pursuant to a resolution passed at its meeting held on November 28, 2024.

Our Board, pursuant to its resolution dated December 2, 2024, have approved this DRHP.

Each of the Selling Shareholders has, severally and not jointly, consented and/or authorised for inclusion of their portion of the Offered Shares as part of the Offer for Sale, as set out below:

Name of the Selling Shareholder	Type of the Selling Shareholder	Offered Shares	Date of Selling Shareholder's consent letter	Date of board resolution / corporate authorisation
Saketchandrasingh Pratapsingh Dhandoriya	Promoter Selling Shareholder	1,265,120	November 25, 2024	NA
Sandeep Sudhakar Asolkar (held jointly with Priya Sandeep Asolkar)	Promoter Selling Shareholders	2,712,820	November 25, 2024	NA
Sandeep Sudhakar Asolkar	Promoter Selling Shareholder	2,025,000	November 25, 2024	NA
Chandrakant Vallabhaji Gogri (held jointly with Jaya Chandrakant Gogri)	Other Selling Shareholders	127,630	November 25, 2024	NA
Jaya Chandrakant Gogri (held jointly with Chandrakant Vallabhaji Gogri and Hetal Gogri Gala)	Other Selling Shareholders	862,400	November 25, 2024	NA
Parindu Bansilal Gogri Trust	Other Selling Shareholder	21,070	November 25, 2024	September 5, 2024
Jayshree Harit Shah (held jointly with Harit Pragji Shah)	Other Selling Shareholders	70,310	November 25, 2024	NA
Sandeep Sambhaji Parab	Other Selling Shareholder	688,910	November 25, 2024	NA
Rajesh Kesavan Nambisan	Other Selling Shareholder	688,910	November 25, 2024	NA
Kumaraguru Madurakavi	Other Selling Shareholder	688,910	November 25, 2024	NA
Sarvesh Kumar Garg	Other Selling Shareholder	829,080	November 25, 2024	NA
Veera Venkata Satyanarayana Yannamani	Other Selling Shareholder	321,580	November 25, 2024	NA
Sagar Mahesh Tanna	Other Selling Shareholder	11,250	November 25, 2024	NA
Jyoti Subodh Sapre	Other Selling Shareholder	511,800	November 25, 2024	NA

In-principle listing approvals

Our Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoters Group and each of the Selling Shareholders have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority / court.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, the members of the Promoter Group and each of the Selling Shareholders severally and not jointly confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market.

There are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

(a) Our Company has had net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each) i.e., as on and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, of which not more than 50% are held in monetary assets;

(b) Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each) i.e., as on and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, with operating profit in each of these preceding three years;

(c) Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each) i.e., as on and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, calculated on a restated and consolidated basis; and

(d) Our Company has not changed its name in the last one year, other than the deletion of the word "Private" from the name of our Company, pursuant to its conversion from a private limited company to a public limited company. Our Company has not undertaken any new activity pursuant to such change in name.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of net tangible assets, operating profits and net worth, derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus, as at and for the Fiscals ended March 31, 2024, March 31, 2023, and March 31, 2022 is set forth below:

(*in ₹ million, unless otherwise stated*)

Particulars	As at and for the Fiscal ended		
	March 31, 2024	**March 31, 2023**	**March 31, 2022**
Net tangible assets, as restated and consolidated	5,418.16	4,029.53	3,366.59
Monetary assets, as restated and consolidated	1,886.06	1,247.23	1,179.79
Monetary assets, as restated and consolidated, as a percentage of net tangible assets, as restated and consolidated (in %)	34.81	30.95	35.04
Operating profits, as restated and consolidated	1,832.02	1,194.77	1,066.35
Net worth, as restated and consolidated	5,342.96	3,954.16	3,288.24

Notes:

1. *Out of Deposit account considered in Monetary Assets, Fixed deposit is in lien for various credit facilities (bank overdraft, letter of credit and bank guarantee) from various banks amounting to ₹1,652.99 Million as on March 31, 2024, ₹147.47 Million as on March 31, 2023, ₹191.23 Million as on March 31, 2022.*
2. *Operating profit for this purpose means Profit / (Loss) before tax and exceptional items as per statement of restated profit and loss account. Further, such profit / (loss) before tax and exceptional items excludes finance cost and other income in the calculation of profit / (loss) before tax.*
3. *Net tangible assets as restated and on consolidated basis, mean the sum of all assets of the Company, excluding intangible assets as defined in Indian Accounting Standard 38 - intangible assets, right of use assets and lease liabilities as defined in Indian Accounting Standard 116 - leases and deferred tax assets, deferred tax liability as defined in Indian Accounting Standard 12 - income taxes and prepaid expenses (non-current and current).*

Our Company has operating profits in each of Fiscal 2024, 2023 and 2022 in terms of our Restated Consolidated Financial Information. Our average operating profit, as restated and consolidated, for Fiscals 2024, 2023 and 2022 is ₹1,364.38 million.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall not be less than 1,000, and should our Company fail to do so, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and applicable law.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(a) None of our Company, our Promoters, members of our Promoter Group, our Directors or any of the Selling Shareholders are debarred from accessing the capital markets by SEBI.

(b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.

(c) None of our Company, our Promoters or Directors is a Wilful Defaulter or a Fraudulent Borrower.

(d) None of our Promoters or Directors has been declared a Fugitive Economic Offender in accordance with the Fugitive Economic Offenders Act, 2018.

(e) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive, Equity Shares, as on the date of this Draft Red Herring Prospectus.

(f) Our Company along with Registrar to the Offer has entered into tripartite agreements dated April 17, 2023 and July 4, 2023 with NSDL and CDSL, respectively, for dematerialisation of the Equity Shares.

(g) The Equity Shares of our Company held by our Promoters are in dematerialized form.

(h) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

(i) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance.

Each of the Selling Shareholders, severally and not jointly, confirms that they are in compliance with Regulation 8 of the SEBI ICDR Regulations and approved its participation in the Offer for Sale in relation to its portion of the Offered Shares.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, IIFL CAPITAL SERVICES LIMITED *(FORMERLY KNOWN AS IIFL SECURITIES LIMITED)*, JM FINANCIAL LIMITED AND NUVAMA WEALTH MANAGEMENT LIMITED (COLLECTIVELY, THE "BRLMs") HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY

WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDERS IS RESPONSIBLE FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS ABOUT OR IN RELATION TO ITSELF OR ITS RESPECTIVE PORTION OF THE OFFERED SHARES, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 2, 2024, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

The filing of this Draft Red Herring Prospectus also does not absolve the Selling Shareholders from any liabilities to the extent of the statements specifically made or confirmed by themselves in respect of themselves and of their respective Offered Shares, under Section 34 or Section 36 of Companies Act, 2013.

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Directors, the Selling Shareholders and the Book Running Lead Managers

Our Company, our Directors, the Selling Shareholders, and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.sfcenvironment.com, would be doing so at his or her own risk. Unless required by law, each Selling Shareholder and wherever applicable, their respective affiliates, directors, trustees, officers and associates accept or undertake no responsibility for any statements, disclosures or undertakings other than those specifically undertaken or confirmed by such Selling Shareholder in relation to itself and the Equity Shares being offered by it in the Offer.

The Book Running Lead Managers accepts no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company, the Selling Shareholders, severally and not jointly (to the extent that the information pertain to themselves and their respective portions of the Offered Shares through the Offer Documents), and the Book Running Lead Managers to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Prospective investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters, Book Running Lead Managers and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters, Book Running Lead Managers and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Book Running Lead Managers and their associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, our Promoters, members of the Promoter Group, the Selling Shareholders and their respective directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoters, members of the Promoter Group, the Selling Shareholders and their respective directors, officers, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, multilateral and bilateral development financial institutions, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, state industrial development corporations, permitted insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, permitted provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by the army and navy or air force of Union of India and insurance funds set up and managed by the Department of Posts, India, systemically important NBFCs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about and to observe, any such restrictions.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor the offer of the Offered Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Selling Shareholders since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities law. Accordingly, the Equity Shares are only being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on, Regulation S and the applicable laws of the jurisdiction where those offers and sales occur. There will be no offering of securities in the United States.

The Equity Shares are being offered and sold outside the United States in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur and in each case who are deemed to have made the representations set forth immediately below.

Restrictions On Transfers

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with the Company, the Selling Shareholders and the members of the Syndicate that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered, sold, resold, pledged or transferred within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

2. the purchaser is not subscribing to, or purchasing, the Equity Shares with a view to, or for the offer or sale in connection with, any distribution thereof (within the meaning of the U.S. Securities Act) that would be in violation of the securities laws of the United States or any state thereof;

3. the purchaser is purchasing the Equity Shares offered pursuant to this Offer in an "offshore transaction" meeting the requirements of Regulation S under the U.S. Securities Act;

4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

5. the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

6. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

7. the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold;

8. the purchaser understands and acknowledges that the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above stated restrictions; and

9. the purchaser acknowledges that the Company, the Selling Shareholders, the members of the Syndicate, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly

notify the Company and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus will be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus will be submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares issued pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised. Applications will be made to the BSE and NSE for obtaining their permission for the listing and trading of the Equity Shares.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law.

If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders in accordance with applicable law for the delayed period. For avoidance of doubt, no liability to make any payment of interest or expenses shall accrue to any Selling Shareholder unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by and is directly attributable to, an act or omission of such Selling Shareholder and to the extent of their portion of the Offered Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid / Offer Closing Date or within such other period as may be prescribed. Each Selling Shareholder, severally and not jointly, confirms that they shall extend reasonable support and co-operation (to the extent of its portion of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid / Offer Closing Date, or within such other period as may be prescribed. If the Company does not Allot the Equity Shares within three Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders as prescribed under applicable law.

Each of the Selling Shareholders, severally and not jointly, confirms that they shall provide such reasonable support and cooperation as may be requested by our Company and the BRLMs, to the extent such support and cooperation is required from such Selling Shareholder in relation to its respective portion of the Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI.

Consents

Consents in writing of each of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Statutory Auditors, Independent Chartered Accountant, Independent Chartered Engineer, our legal counsel to the Company as to Indian law, Bankers to our Company, the Book Running Lead Managers, the Registrar to the Offer, and F&S have been obtained; and consents in writing of the Monitoring Agency, Syndicate Members, Public Offer Account Bank, Sponsor Bank(s), Escrow Collection Bank(s) and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, and such consents shall not be withdrawn up to the time of filing of the Red Herring Prospectus with the RoC.

Experts to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated December 2, 2024 from our Statutory Auditors, GBCA & Associates LLP, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated November 28, 2024 on our Restated Consolidated Financial Information; and (ii) their report dated December 2, 2024 on the statement of special tax benefits included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has also received written consent dated December 2, 2024, from M. I. Shah and Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of various certifications issued by them in their capacity as Independent Chartered Accountant to our Company on certain financial and operational information included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated December 1, 2024 from AN Somase and Associates, Chartered Engineer to include his name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in his capacity as Independent Chartered Engineer in relation to his certificate dated December 1, 2024 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Further, our Company has received written consent dated December 1, 2024 from DVD and Associates, independent practicing company secretaries, to include their name in this Draft Red Herring Prospectus, as an "expert" as defined under section 2(38) of the Companies Act, 2013, in respect of their search report dated December 1, 2024, in connection with certain untraceable corporate records of our Company, certain details of which have been included in this Draft Red Herring Prospectus.

Such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues by our Company during the last five years and performance *vis-à-vis* objects

Our Company has not made any public issue or rights issues (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Last issue of our subsidiaries and our promoters

As on date of this Draft Red Herring Prospectus, our Company does not have a corporate promoter. Further, as on the date of this Draft Red Herring Prospectus, our Subsidiaries are not listed.

Underwriting Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Capital issue during the previous three years by our Company

Other than as disclosed in "*Capital Structure*" on page 103, our Company has not undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

Capital issue during the previous three years by listed subsidiaries, group companies, or associates of our Company

Our Company does not have any listed Subsidiaries or Associates. Further, our Group Companies are not listed on any stock exchange, as on date of this Draft Red Herring Prospectus.

Price information of past issues handled by the Book Running Lead Managers

A. *IIFL Capital Services Limited (formerly known as IIFL Securities Limited)*

1. Price information of past issues handled by IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)* (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Designated Stock Exchange as disclosed in the red herring prospectus filed	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price*, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	NTPC Green Energy Limited	1,00,000.00	108.00(1)	NSE	November 27, 2024	111.50	N.A.	N.A.	N.A.
2.	Zinka Logistics Solutions Limited	11,147.22	273.00(2)	BSE	November 22, 2024	279.05	N.A.	N.A.	N.A.
3.	Sagility India Limited	21,064.04	30.00(3)	NSE	November 12, 2024	31.06	N.A.	N.A.	N.A.
4.	Waaree Energies Limited	43,214.40	1,503.00	NSE	October 28, 2024	2,500.00	68.05%, [-0.59%]	N.A.	N.A.
5.	Bajaj Housing Finance Limited	65,600.00	70.00	NSE	September 16, 2024	150.00	+99.86%,[-1.29%]	N.A.	N.A.
6.	Ecos (India) Mobility & Hospitality Limited	6,012.00	334.00	NSE	September 4, 2024	390.00	+42.28%,[+0.20%]	N.A.	N.A.
7.	Unicommerce eSolutions Limited	2,765.72	108.00	NSE	August 13, 2024	235.00	+109.98%,[+3.23%]	+89.71%,[+0.04%]	N.A.
8.	Ceigall India Limited	12,526.63	401.00(4)	NSE	August 8, 2024	419.00	-4.89%,[+3.05%]	-14.01%, [0.40%]	N.A.
9.	Awfis Space Solutions Limited	5,989.25	383.00(5)	NSE	May 30, 2024	435.00	+34.36%,[+6.77%]	+100.18%,[+11.25%]	+83.16%,[+7.71%]
10.	Go Digit General Insurance Limited	26,146.46	272.00	NSE	May 23, 2024	286.00	+22.83%,[+2.32%]	+30.79%,[+7.54%]	+16.25% [+2.12%]

Source: www.nseindia.com; www.bseindia.com, as applicable

1. *A discount of ₹5 per equity share was offered to eligible employees bidding in the employee reservation portion.*
2. *A discount of ₹25 per equity share was offered to eligible employees bidding in the employee reservation portion.*
3. *A discount of ₹2 per equity share was offered to eligible employees bidding in the employee reservation portion.*
4. *A discount of ₹38 per equity share was offered to eligible employees bidding in the employee reservation portion.*
5. *A discount of ₹36 per equity share was offered to eligible employees bidding in the employee reservation portion.*

**Benchmark Index taken as NIFTY 50 or S&P BSE SENSEX, as applicable. Price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th / 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. NA means Not Applicable. The above past price information is only restricted to past 10 initial public offers.*

2. Summary statement of price information of past issues handled by IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*:

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ million)	No. of IPOs trading at discount – 30th calendar days from listing	No. of IPOs trading at premium – 30th calendar days from listing	No. of IPOs trading at discount – 180th calendar days from listing	No. of IPOs trading at premium – 180th calendar days from listing

			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25	12	3,43,710.46	-	-	1	5	2	1	-	-	-	3	-	1
2023-24	15	1,54,777.80	-	-	4	3	4	4	-	-	1	5	4	5
2022-23	12	106,650.92	-	-	4	-	4	4	-	-	3	1	4	4

Source: www.nseindia.com; www.bseindia.com, as applicable
Note: Data for number of IPOs trading at premium/discount taken at closing price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.
N.A. means Not Applicable.

B. *JM Financial Limited*

1. Price information of past issues handled by JM Financial Limited (during current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30^{th} calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90^{th} calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180^{th} calendar days from listing
1.	Zinka Logistics Solutions Limited[# 8]	11,147.22	273.00	November 22, 2024	279.05	Not Applicable	Not Applicable	Not Applicable
2.	ACME Solar Holdings Limited[*12]	29,000.00	289.00	November 13, 2024	251.00	Not Applicable	Not Applicable	Not Applicable
3.	Western Carriers (India) Limited[*]	4,928.80	172.00	September 24, 2024	171.00	-20.69% [-6.03%]	Not Applicable	Not Applicable
4.	Bajaj Housing Finance Limited[*]	65,600.00	70.00	September 16, 2024	150.00	99.86% [-1.29%]	Not Applicable	Not Applicable
5.	Baazar Style Retail Limited[#11]	8,346.75	389.00	September 06, 2024	389.00	-1.32% [0.62%]	Not Applicable	Not Applicable
6.	Brainbees Solutions Limited[*10]	41,937.28	465.00	August 13, 2024	651.00	37.49% [3.23%]	21.39% [0.04%]	Not Applicable
7.	Ceigall India Limited[*9]	12,526.63	401.00	August 08, 2024	419.00	-4.89% [3.05%]	-14.01% [0.40%]	Not Applicable
8.	Stanley Lifestyles Limited[#]	5,370.24	369.00	June 28, 2024	499.00	55.96% [2.91%]	31.29% [7.77%]	Not Applicable
9.	Le Travenues Technology Limited[#]	7,401.02	93.00	June 18, 2024	135.00	86.34% [4.42%]	67.63% [7.23%]	Not Applicable
10.	TBO Tek Limited[*]	15,508.09	920.00	May 15, 2024	1,426.00	69.94% [5.40%]	84.90% [9.67%]	85.23% [8.77%]

Source: www.nseindia.com and www.bseindia.com
[#] BSE as Designated Stock Exchange
** NSE as Designated Stock Exchange*
Notes:

1. *Opening price information as disclosed on the website of the Designated Stock Exchange.*
2. *Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.*
3. *For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
5. *30^{th} calendar day has been taken as listing date plus 29 calendar days; 90^{th} calendar day has been taken as listing date plus 89 calendar days; 180^{th} calendar day has been taken a listing date plus 179 calendar days.*
6. *Restricted to last 10 issues.*
7. *A discount of ₹7 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
8. *A discount of ₹25 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
9. *A discount of ₹38 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
10. *A discount of ₹44 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
11. *A discount of ₹35 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*

12. A discount of ₹27 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion

2. Summary statement of price information of past issues handled by JM Financial Limited

Financial Year	Total no. of IPOs	Total funds raised (₹ million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2024-2025	10	2,01,766.03	-	-	3	4	1	-	-	-	-	1	-	-
2023-2024	24	2,88,746.72	-	-	7	4	5	8	-	-	5	7	5	7
2022-2023	11	3,16,770.53	-	1	3	-	5	2	-	2	2	2	3	2

C. *Nuvama Wealth Management Limited*

1. Price information of past issues handled by Nuvama Wealth Management Limited (during current Fiscal and two Fiscals preceding the current financial year):

S. No.	**Issue Name	Issue Size (₹ million) #	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	NTPC Green Energy Limited	100,000.00	108.00#	November 27, 2024	111.50	NA	NA	NA
2.	Acme Solar Holdings Limited	29,000.00	289.00^	November 13, 2024	251.00	NA	NA	NA
3.	Afcons Infrastructure Limited	54,300.00	463.00$$	November 4, 2024	426.00	NA	NA	NA
4.	P N Gadgil Jewellers Limited	11,000.00	480.00	September 17, 2024	830.00	61.14% [-1.76%]	NA	NA
5.	Allied Blenders and Distillers Limited	15,000.00	281.00$	July 02, 2024	320.00	9.68% [3.43%]	21.28% [8.52%]	NA
6.	Go Digit General Insurance Limited	26,146.46	272.00	May 23, 2024	286.00	22.83% [2.32%]	30.79% [7.54%]	16.25% [2.12%]
7.	Popular Vehicles and Services Limited	6,015.54	295.00^^	March 19, 2024	289.20	-15.59% [1.51%]	-13.67% [7.55%]	-23.43% [16.22%]
8.	Capital Small Finance Bank Limited	5,230.70	468.00	February 14, 2024	435.00	-25.25% [1.77%]	-26.09% [1.33%]	-31.44% [10.98%]
9.	Mediassist Healthcare Services Limited	11,715.77	418.00	January 23, 2024	465.00	22.32% [3.20%]	15.66% [3.86%]	33.86% [14.54%]
10.	Flair Writing Industries Limited	5,930.00	304.00	December 01, 2023	501.00	14.69% [7.22%]	-8.63% [8.31%]	1.12% [12.93%]

Source: www.nseindia.com and www.bseindia.com

 # NTPC Green Energy Limited – A discount of ₹5 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹108 per equity share

^Acme Solar Holdings Limited – A discount of ₹27 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹289 per equity share

$$ Afcons Infrastructure Limited – A discount of ₹44 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹463 per equity share

$Allied Blenders and Distillers Limited - A discount of ₹ 26 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹281 per equity share

^^Popular Vehicles and Services Limited - A discount of ₹ 28 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹295 per equity share

#As per Prospectus

***Pursuant to order passed by Hon'ble National Company Law Tribunal, Mumbai Bench dated April 27, 2023, the merchant banking business of Edelweiss Financial Services Limited ("**Edelweiss**") has demerged and now transferred to Nuvama Wealth Management Limited ("**Nuvama**") and therefore the said merchant banking business is part of Nuvama.*

Notes

1. *Based on date of listing.*
2. *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.*
3. *Wherever 30th / 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.*
4. *Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index.*
5. *Not Applicable. – Period not completed*
6. *Disclosure in Table-1 restricted to 10 issues.*

2. Summary statement of price information of past issues handled by Nuvama Wealth Management Limited

Fiscal Year	Total no. of IPOs	Total amount of funds raised (₹ million) #	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25*	6	235,446.46	-	-	-	1	-	2	-	-	-	-	-	1
2023-24	9	68,029.67	-	1	1	1	1	5	-	1	3	1	1	3
2022-23	3	28,334.49	-	1	-	-	1	1	-	1	1	-	-	1

The information is as on the date of the document

1. *Based on date of listing.*
2. *Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.*
3. *Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index.*

**For the financial year 2024-25, 3 issues have completed 30 calendar days, 2 issues have completed 90 calendar days and 1 issue has completed 180 calendar days.*

#As per prospectus

Track record of past issues handled by the BRLMs

For details regarding the track record of the Book Running Lead Managers, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012, issued by SEBI, please see the website of the Book Running Lead Managers, as set forth in the table below:

S. No.	Name of the Book Running Lead Managers	Website
1.	IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*	www.iiflcap.com
2.	JM Financial Limited	www.jmfl.com
3.	Nuvama Wealth Management Limited	www.nuvamawealth.com

Stock Market Data of Equity Shares

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances in the Offer

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares pursuant to the Offer to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs or the Registrar to the Offer, in the manner provided below.

All Offer related grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, ASBA Form number, Bidders' DP ID, Client ID, UPI ID, PAN, address of the Bidder, number of Equity Shares applied for, date of ASBA Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents / information mentioned hereinabove. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. For offer related grievances, investors may contact the Book Running Lead Managers, details of which are given in "*General Information*" on page 93.

SEBI, by way of its master circular bearing number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 ("**SEBI ICDR Master Circular**") read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 ("**March 2021 Circular**") amended by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 ("**June 2021 Circular**"), each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations, has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism *inter alia* in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries / SCSBs and failure to unblock funds for cancelled / withdrawn / deleted cases in the stock exchange platforms, failure to unblock funds in cases of partial allotment by the next working day from the finalisation of basis of allotment, failure to unblock the funds in cases of non-allotment by the Issue Closing Date, SCSBs blocking multiple amounts for the same UPI mechanism, and SCSBs blocking more amount in the investors' accounts than the application amount.

As per the SEBI ICDR Master Circular read with the March 2021 Circular, and the June 2021 Circular, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, each to the extent applicable and not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations,, SEBI has prescribed certain mechanisms for initial public offerings to ensure proper management of investor issues arising out of the UPI Mechanism, including (i) identification of a nodal officer by SCSBs for IPO applications processed through UPI as a payment Mechanism; (ii) delivery of SMS alerts and invoice in the inbox by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) periodic sharing of statistical details of mandate blocks / unblocks, performance of apps and UPI handles, network latency or downtime, etc., by the Sponsor Bank to the intermediaries forming part of the closed user group vide web portal; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members only to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid / Offer Closing Date, in accordance with the March, 2021 Circular, as amended by the SEBI circular dated June 2, 2021 and SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the application amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI ICDR Master Circular and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum or such other rate of interest as may be prescribed under applicable law for any delay beyond this period of 15 days.

The following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalization of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Managers shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI RTA Master Circular.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, name and address of the Book Running Lead Managers, unique transaction reference number, the name of the relevant bank, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Disposal of Investor Grievances by our Company

Our Company shall, after filing this Draft Red Herring Prospectus, obtain authentication on the SCORES in compliance with the SEBI circular bearing reference no. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023, in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details of our Stakeholders Relationship Committee, please see "*Our Management*" on page 301.

Our Company has also appointed Shweta Deshpande, Company Secretary of our Company, as the Compliance Officer for the Offer. For details see, "*General Information –Company Secretary and Compliance Officer*" on page 94. Each of the Selling Shareholders, severally and not jointly, has authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to deal with, on their behalf, any investor grievances received in the Offer in relation to their respective portion of the Offered Shares.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus.

Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint provided however, in relation to complaints pertaining to blocking / unblocking of funds, investor complaints shall be resolved on the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Exemptions from complying with any provision of securities laws, if any, granted by SEBI

Our Company has not applied for any exemption from complying with any provisions of securities laws before SEBI, as on the date of this Draft Red Herring Prospectus.

Other confirmations

No person connected with the Offer shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Offer, except for fees or commission for services rendered in relation to the Offer.

There are no conflicts of interest between (i) the suppliers of raw materials and third party service providers (crucial for operations of our Company) or (ii) the lessors of our immovable properties (crucial for our operations) and our Company, Promoters, Promoter Group, Key Managerial Personnels, Directors, Subsidiaries / Group Companies, and their directors.

Except as disclosed in the Draft Red Herring Prospectus, there are no findings / observations pursuant to any inspections of the Company by SEBI or any other regulatory authority that we considered material and non-disclosure of which may have bearing on the investment decisions of the Bidders.

SECTION VIII - OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered and Allotted pursuant to the Offer are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale, and listing and trading of securities offered from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI, and/or other authorities, as in force on the date of this Offer and to the extent applicable, or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Offer.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in "*Objects of the Offer*", on page 141.

Ranking of the Equity Shares

The Equity Shares being issued, offered and Allotted in the Offer shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see "*Articles of Association*" on page 542.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders as per the provisions of the Companies Act, 2013, our Memorandum of Association and Articles of Association, the SEBI Listing Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Allottees, in accordance with applicable law. For further details in relation to dividends, see *"Dividend Policy"* and *"Articles of Association"* on pages 332 and 542, respectively.

Face Value, Floor Price, Price Band and Offer Price

The face value of the Equity Shares is ₹2. The Floor Price of Equity Shares is ₹[●] per Equity Share and the Cap Price is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share. The Offer Price, Price Band and minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLMs, and advertised in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid / Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the respective websites of the Stock Exchanges. The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid / Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles of Association, our Shareholders shall have the following rights:

- the right to receive dividend, if declared;
- the right to attend general meetings and exercise voting rights, unless prohibited by law;
- the right to vote on a poll either in person or by proxy or 'e-voting' in accordance with the provisions of the Companies Act;
- the right to receive offers for rights shares and be allotted bonus shares, if announced;
- the right to receive surplus on liquidation, subject to any statutory and preferential claims being satisfied;
- the right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws, including rules framed by the RBI; and
- such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/or consolidation / splitting, see "*Articles of Association*" on page 542.

Allotment in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in the dematerialised form only. In this context, our Company has entered into the following agreements with the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated April 17, 2023, amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated July 4, 2023, amongst our Company, CDSL and Registrar to the Offer.

Market Lot and Trading Lot

The trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares to QIBs and RIBs. For NIIs allotment shall not be less than the minimum Non-Institutional Portion application size. For the method of Basis of Allotment, see "*Offer Procedure*" on page 518.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Jurisdiction

The competent courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Offer.

Period of operation of subscription list

See "*Bid / Offer Programme*" on page 508.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the Sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the nominating holder of such Equity Shares. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation or variation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered and Corporate Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Collecting Depository Participant of the Bidder will prevail. If Bidders wish to change their nomination, they are requested to inform their respective Collecting Depository Participant.

Bid / Offer Programme

BID/ OFFER OPENS ON	[●](1)
BID/ OFFER CLOSES ON	**[●]**(2)(3)

(1) *Our Company, may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.*

(2) *Our Company, may, in consultation with the BRLMs, consider closing the Bid/ Offer Period for QIBs one day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.*

(3) *UPI mandate end time and date shall be at 5.00 p.m. on Bid / Offer Closing Date.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid / Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account*	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

***** *In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid / Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted / partially allotted Bids, exceeding two Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid / Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, each to the extent applicable and not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations which for the avoidance of doubt, shall be deemed to be incorporated in the agreements to be entered into between our Company with the relevant intermediaries, to the extent applicable.*

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only *after such banks provide a written confirmation on compliance with the SEBI ICDR Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and SEBI RTA Master Circular, each to the extent applicable and not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations.*

The above timetable is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholders or the BRLMs.

While the Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Bid / Offer Closing Date or such period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid / Offer Period by our Company, in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each Selling Shareholder, severally and not jointly, confirm that they shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within such time period as may be prescribed.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid / Offer Closing Date or such other time as may be prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of the Draft Red Herring Prospectus may result in changes to the listing timelines. Further, the offer procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid / Offer Period (except the Bid / Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“**IST**”)
Bid / Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and NIIs where Bid Amount is more than ₹500,000	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification / Revision / cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories#	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid / Issue Closing Date
Upward or downward Revision of Bids or cancellation of Bids by Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. and up to 5.00 p.m. IST

**UPI mandate end time and date shall be at 5.00 pm on Bid / Offer Closing Date.*
 # QIBs and Non-Institutional Bidders can neither revise their Bids downwards nor cancel / withdraw their Bids.

On the Bid / Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders; and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs and Eligible Employees bidding in the Employee Reservation Portion.

On Bid / Offer Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Bids received by Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled / withdrawn / deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid / Offer Opening Date till the Bid / Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Managers and the RTA on a daily basis, as per the format prescribed in SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid / Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid / Offer Closing Date, and in any case no later than 3:00 p.m. IST on the Bid / Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid / Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid / Offer Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid / Offer period. Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid / Offer Period till 5.00 pm on the Bid / Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Our Company, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid / Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price will not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price, subject to minimum 105% of the Floor Price.

In case of revision in the Price Band, the Bid / Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid / Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company and the Selling Shareholders, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of one Working Day, subject to the Bid / Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid / Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLMs and terminals of the Syndicate Members and by intimation to the Designated Intermediaries. In case of revision of price band, the Bid lot shall remain the same.

In case of discrepancy in data entered in the electronic book *vis-à-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Employee Discount

Employee Discount, if any, will be offered to Eligible Employees bidding in the Employee Reservation Portion, and, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR or if the subscription level falls below the thresholds mentioned above after the Bid / Offer Closing Date, on account of withdrawal of Bids or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered in the Offer, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law or under any direction or order of SEBI or any other Governmental Authority. If there is a delay beyond four days, our Company, the Selling Shareholders, to the extent applicable, and every Director of our Company who is an officer in default, to the extent applicable, shall pay interest at the rate of 15% or such other interest rate as prescribed under applicable law, including SEBI ICDR Master Circular and SEBI RTA Master Circular.

In the event of an under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment for valid Bids will be made in the following order: (i) in the first instance, towards subscription for such number of Equity Shares comprising 90% of the Fresh Issue; (ii) if there remain any balance valid Bids received in the Offer, then towards all the Offered Shares on a proportionate basis will be Allotted; and (iii) once Allotment has been made for valid Bids as per (i) and (ii) above, any balance valid Bids will thereafter be Allotted towards the remaining 10% of the Fresh Issue.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and the Selling Shareholders shall be liable to pay interest on the application money in accordance with applicable laws.

The Selling Shareholders shall reimburse any expenses and interest incurred by our Company on behalf of them for any delays in making refunds as required under the Companies Act, the UPI Circulars and any other applicable law, provided that the Selling Shareholders shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of the Selling Shareholders.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction on transfer and transmission of Equity Shares

Except for the lock-in of the pre-Offer Equity Shares, the minimum Promoters' contribution and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in "*Capital Structure*" on page 103, and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Articles of Association*" at page 542.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges. However, Allotees may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Withdrawal of the Offer

The Offer shall be withdrawn in the event that 90% of the Fresh Issue portion of the Offer is not subscribed.

Our Company, in consultation with the BRLMs, reserve the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid / Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid / Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges on which the Equity Shares are proposed to be listed shall be informed promptly in this regard by our Company and the BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s) to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. In the event of withdrawal of the Offer and subsequently, plans of a fresh public offering of Equity Shares by our Company, a fresh draft red herring prospectus will be filed again with SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days of the Bid / Offer Closing Date or such other period as may be prescribed under applicable law, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law.

OFFER STRUCTURE

The Offer is of up to [●] Equity Shares of face value of ₹2 each for cash at a price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹[●] million comprising of a Fresh Issue of up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹1,850.00 million by our Company and an Offer of Sale of up to 10,824,790 Equity Shares of face value of ₹2 each aggregating up to ₹[●] million by the Selling Shareholders.

The Offer comprises a Net Offer of up to [●] Equity Shares of face value of ₹2 each and the Employee Reservation Portion of up to [●] Equity Shares of face value of ₹2 each. Our Company, in consultations with the BRLMs, may offer a discount of up to [●]% (equivalent to ₹[●] per Equity Share) to the Offer Price to Eligible Employees bidding under the Employee Reservation Portion in accordance with the SEBI ICDR Regulations and details of which will be announced at least two Working Days prior to the Bid / Offer Opening Date.

The Offer and the Net Offer shall constitute [●]% and [●]% respectively, of the post-Offer paid-up Equity Share capital of our Company.

Our Company, in consultation with the BRLMs, may consider a further issue of specified securities as may be permitted under applicable law, aggregating up to ₹370.00 million (the "**Pre-IPO Placement**"), prior to the filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

The Offer is being made through Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations.

Particulars	**QIBs (1)**	**Non-Institutional Bidders**	**Retail Individual Bidders**	**Eligible Employees#**
Number of Equity Shares available for Allotment / allocation* (2)	Not more than [●] Equity Shares of face value of ₹2 each	Not less than [●] Equity Shares of face value of ₹2 each available for allocation or Net Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares of face value of ₹2 each available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders	Up to [●] Equity Shares of face value of ₹2 each
Percentage of Offer Size available for Allotment / allocation	Not more than 50% of the Net Offer size shall be available for allocation to QIB Bidders. However, 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Offer, or the Net Offer less allocation to QIB Bidders and Retail Individual Bidders will be available for allocation, out of which: a) one third of Non - Institutional Portion shall be reserved for Bidders with application size of more than ₹0.20 million and up to ₹1.00 million; and b) two third of Non - Institutional Portion shall be reserved for Bidders with application size of more than ₹1.00 million,	Not less than 35% of the Net Offer, or the Net Offer less allocation to QIB Bidders and Non-Institutional Bidders	The Employee Reservation Portion shall constitute up to [●]% of the post-Offer paid-up equity share capital of our Company

Particulars	QIBs [(1)]	Non-Institutional Bidders	Retail Individual Bidders	Eligible Employees[#]
		provided that the unsubscribed portion in either of such sub-categories may be allocated to Bidders `in the other sub - category of Non - Institutional Bidders.		
Basis of Allotment / allocation if respective category is oversubscribed[*]	Proportionate as follows (excluding the Anchor Investor Portion): a) Up to [●] Equity Shares of face value of ₹2 each shall be available for allocation on a proportionate basis to Mutual Funds only; and b) Up to [●] Equity Shares of face value of ₹2 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above c) Up to [●] Equity Shares of face value of ₹2 each (comprising of up to 60% of the QIB Portion) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price	The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. The Allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see "*Offer Procedure*" on page 518.	The allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see *"Offer Procedure*" on page 518.	Proportionate; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹0.20 million (net of Employee Discount, if any). In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for a value exceeding ₹0.20 million (net of Employee Discount, if any) subject to total Allotment to an Eligible Employee not exceeding ₹0.50 million (net of Employee Discount, if any).
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, that	Such number of Equity Shares in multiples of [●] Equity Shares that	[●] Equity Shares	[●] Equity Shares

Particulars	QIBs [(1)]	Non-Institutional Bidders	Retail Individual Bidders	Eligible Employees[#]
	the Bid Amount exceeds ₹0.20 million	the Bid Amount exceeds ₹0.20 million		
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the Anchor Portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB Portion), subject to limits prescribed under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹0.20 million	Such number of Equity Shares and in multiples of [●] Equity Shares so that the maximum Bid Amount by each Eligible Employee in this portion does not exceed ₹0.50 million (net of discount)
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Mode of allotment	Compulsorily in dematerialised form			
Allotment Lot	A minimum of [●] Equity Shares and in multiples of [●] Equity Share thereafter			
Trading Lot	One Equity Share			
Who can apply[(3)(5)]	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled commercial banks, Mutual Funds, Eligible FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250.00 million, pension funds with minimum corpus of ₹250.00 million, with the Pension Fund Regulatory and Development Authority, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies and trusts and any individuals, corporate bodies and family offices which are re-categorised as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)	Eligible Employees
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(4)] **In case of all other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank(s) through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			

Particulars	QIBs [(1)]	Non-Institutional Bidders	Retail Individual Bidders	Eligible Employees[#]
Mode of Bidding^	ASBA only (excluding the UPI Mechanism) except for Anchor Investors	ASBA only (including UPI Mechanism for Bids up to ₹0.50 million)	ASBA only (including the UPI Mechanism)	ASBA only (including the UPI Mechanism)

* *Assuming full subscription in the Offer.*

^ *SEBI vide its SEBI ICDR Master Circular and vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), has mandated that ASBA applications in Public Issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIB, NIB and Retail and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*

[#] *Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹0.50 million (net of the Employee Discount). However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹0.20 million. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million. An Eligible Employee Bidding in the Employee Reservation Portion (subject to Bid Amount being up to ₹0.20 million, can also Bid in the Net Offer, and such Bids shall not be considered multiple Bids. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.*

(1) *Our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations and subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five Anchor Investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" on page 518.*

(2) *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the Non-Institutional Portion will be available for allocation to Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company in consultation with the BRLMs, Registrar to the Offer and the Designated Stock Exchange. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment for the balance valid Bids will be made proportionately towards Fresh Issue and the Offered Shares. For further details, see "Terms of the Offer" on page 506.

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.*

(4) *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

(5) *Bids by FPIs with certain structures as described under "Offer Procedure - Bids by FPIs" on page 524 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.*

Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the

Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares pursuant to the Offer.

Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount (net of employee discount), at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price (net of employee discount), at the time of making a Bid. Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs, and the Designated Stock Exchange.

OFFER PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer. Investors should note that the details and process provided in the General Information Document should be read along with this section.

Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

*SEBI through the UPI Circulars has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced as a payment mechanism in addition to ASBA for applications by Retail Individual Bidders through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Retail Individual Bidders through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and RIBs submitting their ASBA Forms through Designated Intermediaries (other than SCSBs) can only use UPI Mechanism with existing timeline of T+6 days until further notice pursuant to SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 ("**UPI Phase II**"). The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Please note that we may need to make appropriate changes in the Red Herring Prospectus and Prospectus depending on the timing of the opening of the Offer. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 had introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Subsequently, the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs and rescinded these circulars. Further, the SEBI ICDR Master Circular consolidated the aforementioned circulars and rescinded these circulars to the extent they relate to the SEBI ICDR Regulations. Furthermore, pursuant to SEBI ICDR Master Circular and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), all individual bidders in initial public offerings whose application sizes are up to ₹0.50 million shall use the UPI Mechanism and provide their UPI ID in the Bid-cum-Application Form for bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Pursuant to the SEBI ICDR Master Circular and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).*

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in the SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI

Mechanism) exceeding two Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, our Company, the Selling Shareholders and the BRLMs are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

The BRLMs shall be the nodal entity for any issues arising out of public issuance process.

Our Company, the Selling Shareholders and the BRLMs are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. Furthermore, up to [●] Equity Shares of face value of ₹2 each, aggregating up to ₹[●] million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, net of Employee Discount, if any.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories on proportionate basis, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange subject to applicable laws. Further, in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹0.20 million, subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press releases dated June 25, 2021, September 17, 2021 and March 30, 2022 and March 28, 2023.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized

subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased implementation of UPI for Bids by RIBs as per the UPI Circulars

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI payment mechanism in three phases in the following manner:

(a) **Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, an RIB also had the option to submit the ASBA Form with any of the Designated Intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

(b) **Phase II:** This phase was applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular bearing number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, pursuant to SEBI circular dated March 30, 2020, this phase was extended till further notice. Under this phase, submission of the ASBA Form without UPI by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

(c) **Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Offer is being made under Phase III of the UPI Circulars (on a mandatory basis) in accordance with the SEBI ICDR Master Circular and the T+3 Notification (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations).

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post–Offer BRLMs will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

Our Company will be required to appoint one of the SCSBs as a sponsor bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI ICDR Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no.

SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 each to the extent applicable and not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations. Further, pursuant to the SEBI ICDR Master Circular and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022(to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), all individual bidders in initial public offerings whose application sizes are up to ₹0.50 million shall use the UPI Mechanism and provide their UPI ID in the Bid-cum-Application Form for bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of these circular are deemed to form part of this Draft Red Herring Prospectus.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for the Book Building process on a regular basis before the closure of the Offer.

b) On the Bid / Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges' platform are considered for allocation / Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid / Offer Closing Date to modify select fields uploaded in the Stock Exchanges' platform during the Bid / Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centers and at our Registered and Corporate Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid / Offer Opening Date. The Bid Cum Application Forms for Eligible Employees Bidding in the Employee Reservation Portion will be available only at our offices and branches in India.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process. Bidders (other than Anchor Investors and UPI Bidders Bidding using the UPI Mechanism) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

Retail Individual Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by Retail Individual Bidders with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. Bidders using the ASBA process to participate in the Offer must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked / unblocked.

Since the Offer is made under Phase III (on a mandatory basis), ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIBs (other than the RIBs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIBs not using the UPI Mechanism may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

In terms of the SEBI ICDR Master Circular and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. Retail Individual Bidder, QIB and NIB and also for all modes through which the applications are processed.

Non-Institutional Bidders bidding through UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. UPI Bidders Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	**Colour of Bid cum Application Form***
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	[●]
Anchor Investors	[●]
Eligible Employees Bidding in the Employee Reservation Portion	[●]

* *Excluding electronic Bid cum Application Forms.*

Notes:

(1) Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLMs.

(3) Bid cum Application Forms for Eligible Employees shall be available at the Registered and Corporate Office of our Company.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform and the liability to compensate RIBs (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI RTA Master Circular.

For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid / Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking of funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid / Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks / unblocks, performance of apps and UPI handles, down-time / network latency (if any) across intermediaries and any such processes having an impact / bearing on the Offer Bidding process.

Participation by Promoters, Promoter Group, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Members and the persons related to Promoters, Promoter Group, BRLMs and the Syndicate Members and Bids by Anchor Investors

The BRLMs and the Syndicate Members shall not be allowed to purchase / subscribe the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase / subscribe to the Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds, AIFs or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities or pension funds sponsored entities which are associates of the BRLMs, no BRLMs or their respective associates can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an "associate of the Book Running Lead Managers" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to the Promoters and the Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoters or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoters or Promoter Group of our Company.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company in consultation with BRLMs reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External Accounts ("**NRE Account**"), or Foreign Currency Non-Resident Accounts ("**FCNR Account**"), and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA regulations. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA NDI Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. Pursuant to the special resolution dated September 5, 2024, passed by our Shareholders, the aggregate ceiling of 10% was raised to 24%.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour).

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 540.

Bids by HUFs

Bids by HUFs, should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs will be considered at par with Bids from individuals.

Bids by FPIs

In terms of applicable FEMA NDI Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control) shall be below 10% of our post-Offer Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increase beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together can be up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, up to 100% under the automatic route). In terms of the FEMA NDI Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its SEBI RTA Master Circular, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

(a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;
(b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
(c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and
(d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids and are liable to be rejected:

- FPIs which utilise the multi-investment manager structure in accordance with the SEBI master circular bearing reference number EBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022 to facilitate implementation of SEBI FPI Regulations (such structure "**MIM Structure**") provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;

- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;

- FPI registrations granted at investment strategy level / sub fund level where a collective investment scheme or fund has multiple investment strategies / sub-funds with identifiable differences and managed by a single investment manager.

- Multiple branches in different jurisdictions of foreign bank registered as FPIs;

- Government and Government related investors registered as Category 1 FPIs; and

- Entities registered as collective investment scheme having multiple share classes.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected. MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Collecting Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

FPIs must ensure that any Bid by a single FPI and/or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collectively, the "**FPI Group**") shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital on a fully diluted basis shall be liable to be rejected.

Participation of FPIs in the Offer shall be subject to the FEMA NDI Rules.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by SEBI registered AIFs, VCFs and FVCIs

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 (the "**SEBI VCF Regulations**"), VCFs which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

The Category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A Category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a Category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations) whose shares are proposed to be listed.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA NDI Rules.

All Non-Resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and, in consultation with BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Bid cum Application Form, failing which our Company, in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**") and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate equity investment in subsidiaries and other entities engaged in financial and non-financial services cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or (b) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the bank's interest on loans / investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed) and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI ICDR Master Circular and circulars dated September 13, 2012 and January 2, 2013 issued by SEBI, each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company in consultation with BRLMs, reserves the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 read with the investments – master circular issued by IRDAI dated October 27, 2022, each as amended ("**IRDA Investment Regulations**") and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid-cum Application Form. Failing this, our Company, in consultation with BRLMs, reserve the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLMs, may deem fit.

Bids by provident funds / pension funds

In case of Bids made by provident funds / pension funds, subject to applicable laws, with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with BRLMs reserve the right to reject any Bid, without assigning any reason therefor.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

(a) Anchor Investor Application Forms to be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bids are required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.

(c) One-third of the Anchor Investor Portion is reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors will open one Working Day before the Bid / Offer Opening Date and will be completed on the same day.

(e) Our Company, in consultation with the BRLMs will finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion is not less than:

- maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million;
- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and
- in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.

(f) Allocation to Anchor Investors is required to be completed on the Anchor Investor Bid / Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made, is required to be made available in the public domain by the BRLMs before the Bid / Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to

Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(i) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities or pension funds sponsored by entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) can apply in the Offer under the Anchor Investor Portion.

(j) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered as multiple Bids.

(k) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹0.50 million (net of Employee Discount). However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million (net of employee discount).

Allotments to Eligible Employees in excess of ₹0.20 million (net of employee discount) shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million (net of Employee Discount). Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price. For details see "*Offer Structure*" on page 513.

Bids under the Employee Reservation Portion by Eligible Employees shall be:

1. Made only in the prescribed Bid cum Application Form or Revision Form.

2. Only Eligible Employees (as defined in this Draft Red Herring Prospectus) (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) would be eligible to apply in this Offer under the Employee Reservation Portion.

3. In case of joint bids, the sole / First Bidder shall be the Eligible Employee.

4. Bids by Eligible Employees may be made at the Cut-off Price.

5. Only those Bids, which are received at or above the Offer Price, net of Employee Discount, if any, would be considered for allocation under this portion.

6. If the aggregate demand in this portion is less than or equal to [●] Equity Shares of face value of ₹2 each at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

7. Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion shall not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

8. As per the SEBI ICDR Master Circular and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), Eligible Employees bidding in the Employee Reservation Portion can Bid through the UPI mechanism.

In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million (net of employee discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount).

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Red Herring Prospectus, when filed.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he / she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●], a widely circulated English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper, and [●] editions of [●], a widely circulated Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located). Our Company shall, in the pre-Offer advertisement state the Bid / Offer Opening Date, the Bid / Offer Closing Date and the QIB Bid / Offer Closing Date, as applicable. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or after the finalisation of the Offer Price but prior to the filing of the Prospectus. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bid(s) until the Bid / Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. All Bidders (other than Anchor Investors) should submit their Bids using the ASBA process only;

3. Ensure that you have Bid within the Price Band;

4. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. UPI Bidders using the UPI Mechanism must mention their correct UPI ID and shall use only his / her own bank account which is linked to such UPI ID and not the bank account of any third party;

5. UPI Bidders Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

6. UPI Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

7. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

8. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;

9. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, Sub-Syndicate Members, Registered Brokers, RTA or CDP;

10. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;

11. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;

12. Ensure that they have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

13. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

14. Ensure that the name(s) given in the Bid cum Application Form is / are exactly the same as the name(s) in which the beneficiary account is held with the Collecting Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

15. Bidders should ensure that they receive the Acknowledgment Slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application

Form;

16. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

17. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

18. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular MRD/DoP/Dep/Cir-09/06 dated July 20, 2006 and SEBI circular no. MRD/DoP/SE/Cir-13/06 dated September 26, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral / bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

19. Ensure that the Demographic Details are updated, true and correct in all respects;

20. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

21. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

22. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

23. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

24. UPI Bidders Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

25. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected; However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

26. FPIs making MIM Bids using the same PAN and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

27. In case of QIBs and NIBs (other than for Anchor Investor and UPI Bidder), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

28. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank(s), as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

29. UPI Bidders Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his / her UPI PIN. Upon the authorization of the mandate using his / her UPI PIN, the Retail Individual Bidder shall be deemed to have verified the attachment containing the application details of the UPI Bidder Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank(s) to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his / her ASBA Account;

30. UPI Bidders Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;

31. UPI Bidders Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in his / her account and subsequent debit of funds in case of allotment in a timely manner;

32. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI's Bidders' ASBA Account;

33. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

34. Ensure that ASBA bidders shall ensure that bids above ₹0.50 million, are uploaded only by the SCSBs;

35. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid / Offer Closing Date.

36. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press releases dated June 25, 2021, September 17, 2021 and March 28, 2023.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the SEBI RTA Master Circular is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid for a Bid Amount exceeding ₹0.20 million (for Bids by RIBs) and ₹0.50 million for Bids by Eligible Employees Bidding in the Employee Reservation Portion (net of Employee Discount, if any);

4. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;

5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

6. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;

7. Bids by HUFs not mentioned correctly as provided in "*Bids by HUFs*" on page 524;

8. Anchor Investors should not Bid through the ASBA process;

9. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centers;

10. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

11. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

12. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer / Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

14. If you are a QIB, do not submit your Bid after 3.00 p.m. on the Bid / Offer Closing Date;

15. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

16. If you are a UPI Bidders using UPI Mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

17. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹0.50 million;

18. Do not submit the General Index Register (GIR) number instead of the PAN;

19. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

20. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

21. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders or Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids until the Bid / Offer Closing Date;

22. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

23. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by Retail Individual Bidders using the UPI Mechanism;

24. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

25. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

26. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;

27. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

28. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;

29. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism); and

30. Do not Bid if you are an OCB.

For helpline details of the Book Running Lead Managers pursuant to the SEBI ICDR Master Circular and SEBI circular bearing reference number SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), see "*General Information – Book Running Lead Managers*" on page 94.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejection

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document. In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids could be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank(s));

6. Bids by Eligible Employees Bidding in the Employee Reservation Portion with Bid Amount of a value of more than ₹0.50 million (net of Employee Discount, if any);

7. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

8. Bids submitted without the signature of the First Bidder or Sole Bidder;

9. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

10. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;

11. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular no. CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

12. GIR number furnished instead of PAN;

13. Bids by RIBs with Bid Amount of a value of more than ₹0.20 million (net of retail discount, if any);

14. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

15. Bids accompanied by stock invest, money order, postal order or cash; and

16. Bids uploaded by QIBs after 4.00 pm on the QIB Bid / Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid / Offer Closing Date, Bids by Retail Individual Bidders uploaded after 5.00 p.m. on the Bid / Offer Closing Date and Eligible Employees Bidding in the Employee Reservation Portion after 5:00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges. On the Bid / Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges.

In case of any pre-Offer or post Offer related issues regarding demat credit / refund orders / unblocking, etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see "*General Information –Company Secretary and Compliance Officer*" on page 94.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI ICDR Master Circular, and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer through the Red Herring Prospectus except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Offer to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Retail Individual Bidders, Non-Institutional Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in Retail Portion and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with an application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

(i) In case of resident Anchor Investors: "[●]"
(ii) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

Allotment Advertisement

The Allotment Advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the equity shares of the Issuer are proposed to be listed, then the Allotment Advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

Our Company, the BRLMs and the Registrar shall publish an allotment advertisement not later than one Working Day after the date of commencement of trading, disclosing the date of commencement of trading in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located).

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated April 17, 2023, amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated July 4, 2023, amongst our Company, CDSL and Registrar to the Offer.

Undertakings by our Company

Our Company undertakes the following:

(i) that the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(ii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

(iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days of the Bid / Offer Closing Date or such other time as may be prescribed by SEBI;

(iv) that funds required for making refunds / unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company ;

(v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vi) that if our Company does not proceed with the Offer after the Bid / Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid / Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

(vii) that if our Company, in consultation with the BRLMs, withdraw the Offer after the Bid / Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company and/or the Selling Shareholders subsequently decide to proceed with the Offer thereafter;

(viii) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;

(ix) that except for the Equity Shares that may be issued pursuant to the Pre-IPO Placement and any allotment of Equity Shares pursuant to the Pre-IPO Placement and ESOP, no further issue of Equity Shares shall be made until the Equity Shares issued or offered through the Red Herring Prospectus are listed or until the Bid monies are refunded / unblocked in the ASBA Accounts on account of non-listing, under-subscription, etc.

(x) Compliance with all disclosure and accounting norms as may be specified by SEBI from time to time.

Undertakings by the Selling Shareholders

Each of the Selling Shareholder, severally and not jointly, undertake and/or confirm the following in respect of itself as the Selling Shareholder and its respective portion of the Offered Shares:

(i) that the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations and are in dematerialised form;

(ii) that it is the legal and beneficial owner of and have clear and marketable title to the Offered Shares;

(iii) that it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

(iv) that the Equity Shares being sold by it pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer and shall be transferred to the eligible investors within the time specified under applicable law;

(v) that it shall provide all reasonable co-operation as requested by our Company in relation to the completion of Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of the Offered Shares;

(vi) that it shall deposit its Equity Shares offered for sale in the Offer in an escrow demat in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement;

(vii) that it shall not have recourse to the proceeds of the Offer for Sale which shall be held in escrow in its favour, until final listing and trading approvals have been received from the Stock Exchanges; and

(viii) that it will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Offered

Shares.

Utilisation of Offer Proceeds

Our Board certifies that:

- all monies received out of the Offer shall be credited / transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act;

- details of all monies utilized out of the Fresh Issue shall be disclosed and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below: "*Any person who – (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447*." The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1 million or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries / departments are responsible for granting approval for foreign investment. The Government of India has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly, Department of Industrial Policy and Promotion) ("**DPIIT**") issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**") which, with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

As on date, the FDI in companies engaged in sectors / activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. For further details, see "*Key Regulations and Policies*" on page 280.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA NDI Rules.

Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Bid / Offer Period. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

As per the existing policy of the Government of India, OCBs cannot participate in the Offer.

For further details, see '*Offer Procedure*' on page 518.

The Equity Shares offered in the Offer have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. There will be no offering of securities

in the United States.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the members of the Syndicate are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its liability to participate in the Offer and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under applicable laws or regulations.

SECTION IX –ARTICLES OF ASSOCIATION

1. These Articles of Association **("Articles")** of **SFC ENVIRONMENTAL TECHNOLOGIES LIMITED **("Company")** are comprised of two parts i.e., Part A and Part B. Notwithstanding anything to the contrary contained in Part A of the Articles, in the event of any inconsistency or contradiction between the provisions of Part A of these Articles and Part B of these Articles, the provisions of Part B of these Articles shall override and prevail over the provisions of Part A of these Articles. The plain meaning of Part B of these Articles shall always be given effect to and no rules of harmonious construction shall be applied to resolve conflicts between: (i) Part A of these Articles (on the one hand); and (ii) Part B of these Articles (on the other hand).

   The regulations contained in Table F in Schedule 1 to the Companies Act, 2013 (hereinafter referred to as Table "F") shall apply to the Company so far as they are not inconsistent with any of the provisions contained in these regulations or modifications thereof and only to the extent that there are no specific provisions in these regulations.

   ** Pursuant to conversion of the Company from private limited to public limited, the Company has adopted new set of Articles of Association of the Company in supersession of, substitution for and to the exclusion of all the existing articles of the Company vide a special resolution passed at an extra-ordinary general meeting held on June 29, 2024.

PART A

2. (a) In these regulations

   1 The "Act" means the Companies Act, 2013.

   2 The "Company" means **SFC ENVIRONMENTAL TECHNOLOGIES LIMITED**.

   3 The "Seal" means the Common Seal of the Company.

   4 "Share" means Share in the share capital of the Company and includes stock.

   5 "Member" in relation to the Company, means-

   6 "Board" or "Board of Directors" means the board of directors of the Company in office at applicable times.

   7 "Director" shall mean any director of the Company, including alternate directors, Independent Directors and nominee directors appointed in accordance with and the provisions of these Articles.

   8 "Stock Exchanges" shall mean BSE Limited and the National Stock Exchange of India Limited.

   9 "General Meeting" means any duly convened meeting of the shareholders of the Company and any adjournments thereof.

   (i) the subscribers of the Memorandum of Association of the Company who shall deemed to have agreed to become the member of the Company, and on its registration, shall be entered as a member in its Register of members;

   (ii) every other person who agrees in writing to become the member of the Company and whose name is entered in the Register of member of the Company;

   (iii) every person holding the share of the Company and whose name is entered in the Register of member as a beneficial owner in the record of the depository;

   Words importing the singular number also include the plural number and vice versa.

   Words importing the masculine gender also include the feminine gender.

   Words importing persons include corporations.

(b) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

SHARE CAPITAL AND VARIATION OF RIGHTS

II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to the compliance with the provision of Section 53 and 54 of the Act) and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board of Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. As regards all allotments, from time to time made, the Board shall duly comply with Sections 23 and 39 of the Act, as the case may be.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, but not later than three (3) months—

a) One certificate for all shares of each class or denomination registered in his name without payment of any charges; or

b) Several certificates, if the directors so approve, each for one or more shares of each class or denomination registered in his name, upon payment of twenty rupees for each certificate after the first and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be.

(ii) Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive number of shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the Directors may prescribe and approve.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹20/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

(ii) The provisions of this Article shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or any other permissible consideration as per the provisions of the Companies Act.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

TERM OF ISSUE OF DEBENTURE

8A. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a special resolution.

LIEN ON SHARES / DEBENTURES

9. (i) The company shall have a first and paramount lien—

(a) On every share / debenture (not being a fully paid share / debenture), and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares / debenture (not being fully paid shares / debenture) standing registered in the name of a single person, (whether solely or jointly with others), and upon the proceeds of sale thereof for all monies presently payable by him or his estate in respect of such shares / debentures to the company and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share / debenture shall extend to all dividends payable and bonuses declared from time to time in respect of such shares / debenture.

The fully paid up shares shall be free from all lien and in case of partly paid shares the Company's lien, shall be restricted to moneys called or payable at a fixed time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) Unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares/ debentures sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares / debentures comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares / debentures before the sale, be paid to the person entitled to the shares at the date of the sale.

12A. Unless otherwise agreed the registration of a transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures.

CALLS ON SHARES

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment

thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board

a) may, if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him beyond the sums actually called for; and

b) upon all or any of the monies so advanced, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced.

c) The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

d) The provisions of this Articles shall mutatis mutandis apply to the calls on debentures of the Company.

TRANSFER OF SHARES

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

19A. The instrument of transfer shall be in writing and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

20. The Board may, subject to the right of appeal conferred by section 58 declines to register—

a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognize any instrument of transfer unless—

a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

c) the instrument of transfer is in respect of only one class of shares.

21A. Subject to the provisions of Section 59, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of the right to any shares or interest of a Member in or debentures of the Company.

The Company shall within one month from the date on which the instrument of transfer, was delivered to the Company, send notice of the refusal to the transferee and the transferor giving reasons for such refusal.

Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

22A. No fee shall be charged for registration of transfer of shares.

22B. A common form for registration of transfer of shares shall be used by the Company.

TRANSMISSION OF SHARES

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

26A. Subject to the provisions of Section 59, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company.

The Company shall within one month from the date on which the intimation of such transmission was delivered to the Company, send notice of the refusal to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

26B. No fee shall be charged for registration of transmission of shares (in cases of probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document).

FORFEITURE OF SHARES

27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

(iii) The transferee shall thereupon be registered as the holder of the share.

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of non- payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

FURTHER ISSUE OF SHARES

33A. Where at any time, in terms of the provisions of the Companies Act and the rules made thereunder, is the Company proposes to increase the subscribed capital of the Company by issue and allotment of further shares either out of the unissued capital or out of the increased share capital, then:

a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;

The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer or such fewer number of days as may be prescribed under applicable law and not exceeding 30 (Thirty) days from the date of offer within which the offer, if not accepted, will be deemed to have been declined;

The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in this sub-clause (a) shall contain a statement of this right;

After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company.

b) To employees under a scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the conditions in the Companies Act and other Applicable Law.

c) To any persons, if authorized by a special resolution, whether or not those persons include the persons referred to in sub-clause (a) or sub-clause (b) hereof, either for cash or for a consideration other than cash, subject to compliance with Applicable Law.

33B. Nothing contained in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company;

PROVIDED THAT the terms of issue of such debentures or the terms of such loans containing an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in the general meeting.

Notwithstanding anything contained above, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

Subject to the provisions of these Articles, the Act, other Applicable Law and subject to such other approvals, permissions or sanctions as may be necessary, the Company may issue any securities in any manner whatsoever as the board may determine including by way of preferential allotment or private placement subject to and in accordance with Companies Act and rules made thereunder with pricing method prescribed to listed entities under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, if applicable.

ALTERATION OF CAPITAL

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. Subject to the provisions of section 61, the company may, by ordinary resolution —

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

36. Where shares are converted into stock —

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law —

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

CAPITALISATION OF PROFITS

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

b) that such be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause

(iii) either in or towards—

(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(c) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

40. Notwithstanding anything contained in these articles but subject to the provisions of Sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

41. All general meetings other than annual general meeting shall be called extra- ordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares —

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once.

50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

52. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105.

57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

58. The number of Directors shall not be less than three and shall not be more than fifteen. Provided that the Company may appoint more than fifteen directors after passing a special resolution. The Company may appoint such Managing Director as decided according to these Articles and the same person may act as Chairperson of the Company according to proviso to Section 203 (1) of the Companies Act, 2013.

59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by Section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

PROCEEDINGS OF THE BOARD

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

68. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

70. (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

71. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

74. Subject to the provisions of the Act—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

75. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

DIVIDENDS AND RESERVE

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of

the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

85. No dividend shall bear interest against the company.

85A Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "unpaid dividend account"

85B. Any money transferred to the unpaid dividend account of a Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.

85C. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

ACCOUNTS

86. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the company in general meeting.

WINDING UP

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

DEMATERIALIZATION OF SECURITIES

89.

a) Subject to the provisions of the Act, either the Company or the investor may exercise an option to issue (in case of the Company only), deal in, hold the securities (including shares) with a Depository in electronic form and the share certificates in respect thereof shall be dematerialized, in which event, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other Applicable Law.

b) Notwithstanding anything contained in the Act or these Articles, the Board of Directors are empowered without any prior sanction of the members to dematerialize or rematerialize the securities of the Company and issue / allot fresh securities in dematerialized form. The Board of Directors is also empowered to determine the terms and conditions thereof pursuant to the provisions of the Depositories Act, 1996 and rules framed there under.

c) A person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of Securities.

d) If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of security and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

e) All securities held by depositories shall be dematerialized and be fungible form. The register and index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996 (22 of 1996), shall be deemed to be the corresponding register and index for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members, for beneficial owner residing in that state or country.

f) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

g) Save as otherwise provided in (f) above the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

h) Every person holding securities of the company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and subject to all the liabilities in respect of his securities, which are held by a depository.

i) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of discs.

j) Every Depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owners at such intervals and in such manner as may be specified by the bye-laws and the company in that behalf.

90. At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") or of the Act or of the Secretarial Standard issued by the Institute of Company Secretaries of India ("Secretarial Standards"), the provisions of the Listing Regulations or the Act or the Secretarial Standards shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations or the Act or the Secretarial Standards, from time to time.

PART B

Notwithstanding anything contained in these Articles, in the event of any conflict or inconsistency between the provisions of Articles contained in Part A and Part B, the provisions contained in this Part B shall override and prevail over the provisions contained in Part A. References in this Part B to any specific Article would, unless specified otherwise, be deemed to be a reference to the corresponding Article in this Part B. For any clarification, reference shall be made to the Agreement (as defined below) and for this purpose, the Agreement shall be deemed to be part of these Articles, as if incorporated herein.

The Part B shall automatically terminate and will cease to have any force and effect on and from the date of listing of Equity Shares of the Company on the BSE Limited and the National Stock Exchange of India Limited.

DEFINITION

1. Agreement means shareholders' agreement dated 29th October, 2022 executed by and between the Company, Promoter 1, Promoter 2, Chandrakant Vallabhaji Gogri, Other Shareholders, Aparna Kapoor and Subodh Sapre with its Schedules and Exhibits, if any and including Waiver cum Amendment Agreement to the said agreement dated October 29, 2022 executed on August 14, 2024 ("Amendment Agreement")

2. Company means "SFC Environmental Technologies Private Limited" (which shall include the merged entity Enviropro Water Tech Private Limited).

3. Investors means Mr. Chandrakant Vallabhaji Gogri, for and on behalf of himself and his affiliates, representing the Investor Group, consisting of various individual investors and/or entities who have duly authorized him and in his absence, Mr. Parimal Desai and in the absence of both Mr. Haresh Chheda.

4. Promoters means Promoters as defined in the Agreement.

5. Promoter 1 means Mr. Sandeep Sudhakar Asolkar.

BOARD OF DIRECTORS

The Board of Directors of the Company shall consist of such number of Directors and shall have such composition, as may be required or permitted under the applicable laws including the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VETO MATTERS

Subject to the provisions of Companies Act 2013 and other applicable laws and subject to various provisions of the agreement, the Investor and Promoter 1 (together) shall have a veto right with respect to following matters which shall be exercised with prior non-binding consultation with other shareholders:

i. Decisions for taking up new work orders/projects related to current as well as future business of Company and of its subsidiary including but not limited financing decisions related to such work order/project with a value more than INR. 100 Crores; and

ii. Decisions with respect to IPO of the Company including but not limited to issue size, issue price, issue type, contents of the prospectus, etc.

All the Promoters jointly and severally undertake to execute necessary actions viz. passing of necessary resolutions, amendment of Articles of Association and such other actions as may be required under the applicable laws to give effect to the above rights of the Investor and Promoter 1.

CONSENT MATTERS

So long as the Investor continues to be a shareholder, the Parties no resolution shall be passed by the Board, Shareholders or committees of the Company and its subsidiaries except with the consent of the Investor, consent or such Person(s) as may be nominated by Investor in this regard and Promoter 1, in respect of the matters listed below which are in addition to other matters explicitly mentioned in the Agreement.

i. Mergers, demergers, restructuring, acquisitions, sale or transfer of any business
ii. Any contract/transaction with any related party of INR 5,00,000/- (Indian Rupees five lakhs only) or more on a cumulative basis, in any financial year including any alteration in the compensation structure of the promoters
iii. Divestment of or sale of assets of businesses, lease, license or exchange or pledge in any other way proposing to dispose any assets or undertaking of the Company in excess of INR 10,00,00,000/- (Indian Rupees ten crore only) on a cumulative basis, in any financial year other than as approved under the business plan.
iv. Initiation of any litigation or settlement of claim, the value of which exceeds INR 50,00,000/- (Indian Rupees Fifty Lacs only).

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company), which are or may be deemed material will be attached to the copy of the Red Herring Prospectus and the Prospectus which will be filed with the RoC and will also be available on the website of the Company which can be accessed at https://sfcenvironment.com/investors/governance/material-contracts-documents. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at our Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid / Offer Closing Date (except for such agreements executed after the Bid / Offer Closing Date).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without notice to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material contracts for the Offer

1. Offer Agreement dated December 2, 2024, entered into between our Company, the Selling Shareholders and the BRLMs.

2. Registrar Agreement dated December 2, 2024, entered into between our Company, the Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank Agreement dated [●] entered into between our Company, the Selling Shareholders, the Registrar to the Offer, Syndicate Members, the BRLMs and the Banker(s) to the Offer.

4. Share Escrow Agreement dated [●] entered into between the Selling Shareholders, our Company and the Share Escrow Agent.

5. Syndicate Agreement dated [●] entered into between our Company, the Selling Shareholders, the BRLMs, the Syndicate Members and the Registrar.

6. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.

7. Underwriting Agreement dated [●] entered into between our Company, the Selling Shareholders and the Underwriters.

B. Material documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company, as amended from time to time.

2. Certificate of incorporation dated March 29, 2005, issued by RoC to our Company under the name '*SFC Environmental Technologies Private Limited*'.

3. Fresh certificate of incorporation dated August 13, 2024 issued by the Registrar of Companies, Central Processing Centre to our Company under the name '*SFC Environmental Technologies Limited*'.

4. Resolution of the Board of Directors dated August 14, 2024 authorising the Offer and other related matters.

5. Resolution of the Shareholders dated September 5, 2024 authorising the Fresh Issue and other related matters.

6. Resolution of the Board of Directors dated December 2, 2024 approving this Draft Red Herring Prospectus.

7. Resolution dated December 2, 2024, passed by the Audit Committee approving the key performance indicators of our Company.

8. Authorisations and consent letters from each of the Selling Shareholders in relation to the Offer for Sale.

9. Board resolution dated November 28, 2024, taking on record the participation of the Selling Shareholders in the Offer for Sale.

10. The shareholders' agreement dated October 29, 2022, entered by and amongst Enviropro Water Tech Private Limited, our Company, Chandrakant Vallabhaji Gogri (on behalf of himself and his affiliates representing the investor group consisting of various individual investors and/or entities who have duly authorised him), Aparna Vivek Kapoor, Rajesh Kesavan Nambisan, Sandeep Sambhaji Parab, Kumaraguru Madurakavi, Subodh Sapre, Sarvesh Kumar Garg, Veera Venkata Satyanarayana Yannamani, Sandeep Sudhakar Asolkar and Saketchandrasingh Pratapsingh Dhandoriya.

11. The agreement dated August 14, 2024, for amending the Shareholders' Agreement executed by and amongst our Company (which shall include the merged entity Enviropro Water Tech Private Limited), Sandeep Sudhakar Asolkar, Saketchandrasingh Pratapsingh Dhandoriya, Chandrakant Vallabhaji Gogri, Rajesh Kesavan Nambisan, Sandeep Sambhaji Parab, Kumaraguru Madurakavi, Sarvesh Kumar Garg, Veera Venkata Satyanarayana Yannamani and confirming parties (i.e., Aparna Vivek Kapoor and Subodh Sapre).

12. The agreement dated November 28, 2024, for amending the Shareholders' Agreement and the Waiver - cum - Amendment Agreement, executed by and amongst our Company (which shall include the merged entity Enviropro Water Tech Private Limited), Sandeep Sudhakar Asolkar, Saketchandrasingh Pratapsingh Dhandoriya, Chandrakant Vallabhaji Gogri, Rajesh Kesavan Nambisan, Sandeep Sambhaji Parab, Kumaraguru Madurakavi, Sarvesh Kumar Garg, Veera Venkata Satyanarayana Yannamani and confirming parties (i.e., Aparna Vivek Kapoor and Subodh Sapre).

13. A composite scheme of amalgamation and arrangement, dated April 16, 2022 filed by our Company under section 230-232 and other applicable provisions of the Companies Act, 2013, for the amalgamation and arrangement between Enviropro Water Tech Private Limited, Intergeo Solid Waste Management Private Limited and our Company before the National Company Law Tribunal, Mumbai Bench.

14. A report on share exchange ratio issued in relation to the Scheme of Amalgamation dated December 28, 2021 issued by Bhavesh M Rathod, Chartered Accountants and Registered Valuer.

15. Consent dated November 30, 2024 from F&S to rely on and reproduce part or whole of the report titled "*Industry Report on Indian STP, MSW Management, and Biogas Market*" dated November 30, 2024, and include their name in this Draft Red Herring Prospectus.

16. Industry report titled "*Industry Report on Indian STP, MSW Management, and Biogas Market*" dated November 30, 2024, issued by F&S which is a paid report and was commissioned by us pursuant to an engagement letter dated February 28, 2024, exclusively in connection with the Offer, and which is available on the website of our Company.

17. Written consent dated December 2, 2024 from our Statutory Auditors, GBCA & Associates LLP, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated November 28, 2024, on our Restated Consolidated Financial Information; (ii) report dated December 2, 2024, on the statement of special tax benefits available to our Company, its Shareholders and its material subsidiaries under the applicable direct and indirect tax laws included in this Draft Red Herring Prospectus; and (iii) other certifications issued by them to be disclosed in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

18. The examination report dated November 28, 2024 from our Statutory Auditors on our Restated Consolidated Financial Information.

19. Report issued by the Statutory Auditors dated December 2, 2024, on the statement of special tax benefits available to our Company, our Shareholders and our material subsidiaries.

20. Written consent dated December 2, 2024, from M. I. Shah and Co., Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of various certifications issued by them in their capacity as Independent Chartered Accountant to our Company on certain financial and operational information included in this Draft Red Herring Prospectus.

21. Consent letter dated December 1, 2024 from AN Somase and Associates, Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in relation to their certificate on various information in relation to the manufacturing facilities of our Company, Subsidiaries and Associates.

22. Written consent dated December 1, 2024 from DVD and Associates, independent practicing company secretaries, to include their name in this Draft Red Herring Prospectus, as an "expert" as defined under section 2(38) of the Companies Act, 2013, in respect of their search report dated December 1, 2024, in connection with certain untraceable corporate records of our Company, certain details of which have been included in this Draft Red Herring Prospectus.

23. Certificate dated December 2, 2024, issued by M. I. Shah and Co., Chartered Accountants certifying the key performance indicators of our Company and on the basis for the Offer Price.

24. Certificates dated December 2, 2024, issued by M. I. Shah and Co., Chartered Accountants, certifying (i) details of the weighted average cost of acquisition and average cost of acquisition of securities of our Company by the Promoter Selling Shareholders, Other Selling Shareholders and members of the Promoter Group, (ii) details of ESOP Scheme, and (iii) details of the projected working capital requirements.

25. Certificates dated December 2, 2024, issued by GBCA & Associates LLP, Chartered Accountants, certifying (i) utilization of loans proposed for repayment and prepayment, (ii) details of the financial indebtedness of our Company (on a consolidated basis), and (iii) details of the outstanding dues to creditors of our Company.

26. Copies of annual reports of our Company for the Fiscals 2024, 2023 and 2022.

27. Consent of our Directors, BRLMs, Syndicate Members, the legal counsel to the Company, Registrar to the Offer, Monitoring Agency, Banker(s) to the Offer, Bankers to our Company, Chief Financial Officer, and Company Secretary and Compliance Officer, as referred to in their specific capacities.

28. Board resolution dated December 2, 2024, approving the projected working capital requirements of our Company from the Net Proceeds for the Fiscals 2025, 2026 and 2027.

29. Undertaking dated [●] submitted by the BRLMs to SEBI in relation to the utilisation of the proceeds from the Pre-IPO Placement.

30. Undertaking dated [●] submitted by the BRLMs to SEBI in relation to disclosure of the Pre-IPO Placement by way of public advertisement and the Price Band advertisement.

31. Tripartite agreement dated April 17, 2023, amongst our Company, NSDL and the Registrar to the Offer.

32. Tripartite agreement dated July 4, 2023, amongst our Company, CDSL and the Registrar to the Offer.

33. The employee stock option scheme of our Company titled, 'SFC Employee Stock Option Scheme 2024' approved by our Shareholders on September 5, 2024.

34. Due diligence certificate dated December 2, 2024, addressed to SEBI from the BRLMs.

35. In-principle listing approvals dated [●] and [●] issued by BSE and NSE, respectively.

36. SEBI observation letter bearing reference number [●] dated [●].

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act and the rules made or guidelines or regulations issued thereunder, each as amended, as the case may be. I further certify that all the undertakings, disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sandeep Sudhakar Asolkar
Chairman and Managing Director

Place: Navi Mumbai

Date: December 2, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act and the rules made or guidelines or regulations issued thereunder, each as amended, as the case may be. I further certify that all the undertakings, disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Sarvesh Kumar Garg
Executive Director

Place: Navi Mumbai

Date: December 2, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act and the rules made or guidelines or regulations issued thereunder, each as amended, as the case may be. I further certify that all the undertakings, disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Saketchandrasingh Pratapsingh Dhandoriya
Additional Executive Director

Place: Navi Mumbai

Date: December 2, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act and the rules made or guidelines or regulations issued thereunder, each as amended, as the case may be. I further certify that all the undertakings, disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Chandrakant Vallabhaji Gogri
Non-Executive Director

Place: Mumbai

Date: December 2, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act and the rules made or guidelines or regulations issued thereunder, each as amended, as the case may be. I further certify that all the undertakings, disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Neha Rajen Gada
Non-Executive Independent Director

Place: Mumbai

Date: December 2, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act and the rules made or guidelines or regulations issued thereunder, each as amended, as the case may be. I further certify that all the undertakings, disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Satish Chandrashekhar Deshpande
Non-Executive Independent Director

Place: Navi Mumbai

Date: December 2, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act and the rules made or guidelines or regulations issued thereunder, each as amended, as the case may be. I further certify that all the undertakings, disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Nandkishor Trivikram Joshi
Non-Executive Independent Director

Place: Navi Mumbai

Date: December 2, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act and the rules made or guidelines or regulations issued thereunder, each as amended, as the case may be. I further certify that all the undertakings, disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Dilip Damodar Karambelkar
Non-Executive Independent Director

Place: Mumbai

Date: December 2, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act and the rules made or guidelines or regulations issued thereunder, each as amended, as the case may be. I further certify that all the undertakings, disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Amit Anil Sawant
Chief Financial Officer

Place: Navi Mumbai

Date: December 2, 2024

DECLARATION

I, Saketchandrasingh Pratapsingh Dhandoriya, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to me, as a Promoter Selling Shareholder, and the Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Saketchandrasingh Pratapsingh Dhandoriya

Place: Navi Mumbai

Date: December 2, 2024

DECLARATION

We, Sandeep Sudhakar Asolkar and Priya Sandeep Asolkar acting jointly, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to myself, as a Promoter Selling Shareholders, and the Equity Shares being offered by us in the Offer, are true and correct. We assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED FOR AND ON BEHALF OF SANDEEP SUDHAKAR ASOLKAR AND PRIYA SANDEEP ASOLKAR

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Sandeep Sudhakar Asolkar

Place: Navi Mumbai

Date: December 2, 2024

DECLARATION

I, Sandeep Sudhakar Asolkar, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to me, as a Promoter Selling Shareholder, and the Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Sandeep Sudhakar Asolkar

Place: Navi Mumbai

Date: December 2, 2024

DECLARATION

We, Chandrakant Vallabhaji Gogri and Jaya Chandrakant Gogri acting jointly, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as an Other Selling Shareholders, and the Equity Shares being offered by us in the Offer, are true and correct. We assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED FOR AND ON BEHALF OF CHANDRAKANT VALLABHAJI GOGRI AND JAYA CHANDRAKANT GOGRI

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Chandrakant Vallabhaji Gogri

Place: Mumbai

Date: December 2, 2024

DECLARATION

We, Jaya Chandrakant Gogri, Chandrakant Vallabhaji Gogri and Hetal Gogri Gala acting jointly, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as an Other Selling Shareholders, and the Equity Shares being offered by us in the Offer, are true and correct. We assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED FOR AND ON BEHALF OF JAYA CHANDRAKANT GOGRI, CHANDRAKANT VALLABHAJI GOGRI AND HETAL GOGRI GALA

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Jaya Chandrakant Gogri

Place: Mumbai

Date: December 2, 2024

DECLARATION

We, Parindu Bansilal Gogri Trust (acting through our trustees Rashesh Chandrakant Gogri, Chandrakant Vallabhaji Gogri and Hetal Gogri Gala), hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as an Other Selling Shareholders, and the Equity Shares being offered by us in the Offer, are true and correct. We assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED FOR AND ON BEHALF OF PARINDU BANSILAL GOGRI TRUST

Chandrakant Vallabhaji Gogri

Designation: Trustee

Place: Mumbai

Date: December 2, 2024

DECLARATION

We, Jayshree Harit Shah and Harit Pragji Shah acting jointly, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as an Other Selling Shareholders, and the Equity Shares being offered by us in the Offer, are true and correct. We assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED FOR AND ON BEHALF OF JAYSHREE HARIT SHAH AND HARIT PRAGJI SHAH

Jayshree Harit Shah

Place: Mumbai

Date: December 2, 2024

DECLARATION

I, Sandeep Sambhaji Parab hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to me, as an Other Selling Shareholder, and the Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Sandeep Sambhaji Parab

Place: Navi Mumbai

Date: December 2, 2024

DECLARATION

I, Rajesh Kesavan Nambisan hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to me, as an Other Selling Shareholder, and the Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Rajesh Kesavan Nambisan

Place: Navi Mumbai

Date: December 2, 2024

DECLARATION

I, Kumaraguru Madurakavi hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to me, as an Other Selling Shareholder, and the Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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Kumaraguru Madurakavi

Place: Chennai

Date: December 2, 2024

DECLARATION

I, Sarvesh Kumar Garg hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to me, as an Other Selling Shareholder, and the Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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Sarvesh Kumar Garg

Place: Navi Mumbai

Date: December 2, 2024

DECLARATION

I, Veera Venkata Satyanarayana Yannamani hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to me, as an Other Selling Shareholder, and the Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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Veera Venkata Satyanarayana Yannamani

Place: Navi Mumbai

Date: December 2, 2024

DECLARATION

I, Sagar Mahesh Tanna hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to me, as an Other Selling Shareholder, and the Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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Sagar Mahesh Tanna

Place: Mumbai

Date: December 2, 2024

DECLARATION

I, Jyoti Subodh Sapre hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to me, as an Other Selling Shareholder, and the Equity Shares being offered by me in the Offer, are true and correct. I assume no responsibility, for any other statements, disclosures or undertakings including any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Jyoti Subodh Sapre

Place: Mumbai

Date: December 2, 2024