IPO Note

November 21, 2024

Enviro Infra Engineers Limited

Issue Snapshot:
Issue Open: November 22 – November 26, 2024

Price Band: Rs. 140 – 148 (Discount of Rs 13 per share for all eligible employees)

*Issue Size: Up to 4,39,48,000 eq sh (Fresh issue of up 3,86,80,000 eq sh + Offer for sale of up to 52,68,000 including employee reservation of upto 1,00,000 eq sh)

Reservation for:

QIB	upto	2,19,24,000 eq sh
Non-Institutional ((including 1/3rd for applications between Rs.2 lakhs to Rs.10 lakhs))	atleast	65,77,200 eq sh
Retail	atleast	1,53,46,800 eq sh

Face Value: Rs 10

Book value: Rs 23.60 (June 30, 2024)

Bid size: - 101 equity shares and in multiples thereof

100% Book built Issue

Capital Structure:

Pre Issue Equity:	Rs.	136.85 cr
*Post issue Equity:	Rs.	175.53 cr

Listing: BSE & NSE

Book Running Lead Managers: Hem Securities Limited

Sponsor Bank: Axis Bank Ltd & HDFC Bank Ltd

Registrar to issue: Bigshare Services Private Limited

Shareholding Pattern

Shareholding Pattern	Pre issue %	Post issue %
Promoter and Promoter Group	93.66	70.02
Public & Employees	6.34	29.98
Total	100.0	100.0

*=assuming issue subscribed at higher band
Source for this Note: RHP

Background & Operations:

Enviro Infra Engineers Limited (EIEL) is in the business of designing, construction, operation and maintenance of Water and Wastewater Treatment Plants (WWTPs) and Water Supply Scheme Projects (WSSPs) for government authorities/bodies. WWTPs include Sewage Treatment Plants (STPs), Sewerage Schemes (SS) and Common Effluent Treatment Plants (CETPs) while WSSPs include Water Treatment Plants (WTPs) along with pumping stations and laying of pipelines for supply of water (collectively, "Projects"). The treatment process installed at most of the STPs and CETPs is Zero Liquid DisZLD) compliant and the treated water can be used for horticulture, washing, refrigeration and other process industries.

WWTPs and WSSPs are partly funded by the Central Government under schemes like the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and fully funded under the National Mission for Clean Ganga (NMCG) for projects in urban areas. WSSPs are similarly funded by the Central Government schemes like the Jal Jeevan Mission (JJM) for rural areas of the country. The states or Urban Local Bodies (ULBs) under its respective schemes fund the WWTPs and WSSPs along with the Central Government. The Company bids for tenders issued by State Governments and ULBs for developing WWTPs and WSSPs on an EPC or HAM basis. As on June 30, 2024, it had successfully developed 28 WWTPs and WSSPs across India in past seven (7) years which includes 22 projects with 10 MLD capacity and above.

EIEL has an in-house team for designing, engineering and construction which makes it self-reliant on all aspects of business. The company has a team of 180 engineers who are supported by third-party consultants and industry experts to ensure compliance and quality standards laid down by the industry and government agencies & departments. It also has own team for civil construction works thereby reducing dependence on third parties. The scope of its services typically includes design and engineering of the projects, procurement of raw materials, execution at site with overall project management up to the commissioning of projects. Post commissioning, operations and maintenance of these plants for a certain period of time is generally a part of the award. It has a team of dedicated engineers and personnel focused on operations and maintenance of completed projects.

In addition to the execution of projects independently, EIEL also enters into joint ventures with other infrastructure and construction companies to jointly bid and execute projects. Joint ventures or partnerships enable it to achieve pre-qualification, both technical and/or financial, with joint venture partner at the time of the bid and where the bid is successful, it also executes the project with joint venture partner considering the technical skill and qualification of the joint venture partner required to execute a particular project. As on June 30, 2024, the company was executing 5 WWTPs and WSSPs projects in partnership with joint venture partners.

In line with government policies and industry trends, it is taking various initiatives towards "Waste to Energy" in projects to reduce carbon footprint and contribute to environmental sustainability. It has installed solar power plants at some of its projects and the solar power generated by these plants is being used for captive utilisation or supplied to the power grid. Government authorities are also providing for the installation of Compressed Bio Gas (CBG) plant to produce CBG from STP in bids for new projects and EIEL is in the process of installing CBG plants at ongoing projects at Jodhpur and Jaipur in Rajasthan. The CBG generated and purified will be directly sold to the

Oil Marketing Companies (OMCs) in public sector or used for power generation once STPs are established and running. By integrating solar power plants and/or Compressed Bio Gas (CBG) plants into projects, the company is now focussing on "Projects contributing to Sustainable Development". Out of existing Order Book of 21 WWTPs and WSSPs, 7 projects are "Projects contributing to Sustainable Development". The company had an order book worth Rs. 1906.28 cr. as of June 30, 2024. As of the said date, it had 939 employees on its payroll, and is also hiring contract workers for various department as and when required.

Objects of Issue:

The Offer comprises a Fresh Issue of up to 3,86,80,000 Equity Shares of face value of Rs. 10 each and an Offer for Sale of up to 52,68,000 Equity Shares of face value of Rs. 10 each by the Promoter Selling Shareholders.

Offer for Sale

The proceeds of the Offer for Sale shall be received by the Promoter Selling Shareholders and will not form part of the Proceeds from the Fresh Issue. The Company will not receive any proceeds from the Offer for Sale. The Promoter Selling Shareholders will be entitled to the proceeds from the Offer for Sale, after deducting its share of the Offer related expenses and relevant taxes thereon.

Fresh Offer

EIEL proposes to utilize the Proceeds from the Fresh Issue towards funding the following objects (collectively, referred to herein as the "Objects"):

- To meet the Working Capital Requirements;
- Infusion of funds in Subsidiary, EIEL Mathura Infra Engineers Private Limited ("EIEL Mathura") to build 60 MLD STP under project titled 'Mathura Sewerage Scheme" at Mathura in Uttar Pradesh through Hybrid Annuity Based PPP Mode.
- Repayment/prepayment in full or in part, of certain of the outstanding borrowings;
- Funding inorganic growth through unidentified acquisitions and general corporate purposes.

In addition, EIEL expects to achieve the benefit of listing of its Equity Shares on the Stock Exchanges.

Utilization of Net Proceeds

(Rs in lakhs)

Particulars	Amount
To meet the Working Capital Requirements;	18,100.00
Infusion of funds in Subsidiary, EIEL Mathura Infra Engineers Private Limited ("EIEL Mathura") to build 60 MLD STP under project titled 'Mathura Sewerage Scheme" at Mathura in Uttar Pradesh through Hybrid Annuity Based PPP Mode.	3,000.00
Repayment/prepayment in full or in part, of certain of the outstanding borrowings;	12,000.00
Funding inorganic growth through unidentified acquisitions and general corporate purposes.	*
Total	*

Competitive Strengths

In house designing, engineering and execution team: EIEL has been focusing on design capabilities for complex and critical projects such as process description, process calculations, hydraulic calculations, design codes and standards, master drawing schedule, drainage design, STP facilities layout, process flow diagram, hydraulic flow diagram, mass balance diagram, process & instrumentation diagram, tentative single line diagram and electrical load list. This capability enables it to correctly bid with project specifications and provide quality services in a timely and cost-effective manner. Its engineering expertise and technology driven processes has enabled it to deliver on the projects in accordance with the designs and specifications of the particular project whether it's a WWTP or WSSP. It offers a diverse range of design and engineering capabilities for designing of STPs based on various technologies, i.e. Upflow Anaerobic Sludge Blanket Reactor (UASB), Activated Sludge Process (ASP), Moving Bed Biological Reactor (MBBR), along with BNR removal. Its in-house engineering and design team of 180 engineers have the necessary skills and expertise in preparing detailed architectural and /or structural designs based on the conceptual requirements of its clients. The Company's engineering and design team reduces its dependence on outsourcing engineering and design work to third party consultants. Its quality control managers are responsible for conducting regular inspection and tests at every project site for quality control monitoring and management.

Increasing presence in existing geographies with new projects: In the past 7 years EIEL has increased its presence in the states where it was initially awarded projects like Gujarat, Rajasthan, Punjab, Haryana, Uttar Pradesh, Uttarakhand and Chhattisgarh. It focused on bidding projects in these states and was successful in being awarded number of projects after the initial award. It increased its ability and capability across these states in execution of projects awarded by various authorities and has developed deep relations with authorities across these states. EIEL is presently executing projects in eight (8) states namely, Gujarat, Rajasthan, Delhi, Jharkhand, Karnataka, Uttar Pradesh, Chattisgarh and Madhya Pradesh. It has gained significant knowledge and experience in the eight states that it has developed projects which offers an advantage in further penetrating other areas and districts of these states where new WWTP and WSSP projects

are coming up. It intends to leverage its reputation, knowledge and experience in developing projects in other areas of these states where it is not yet present.

Diversified Order Book of projects across India: EIEL has developed expertise and capability in executing diverse projects like WWTPs including CETPs, STPs & SS and WSSPs, both on EPC and HAM basis, aggregating into an Order Book of 21 WWTPs and WSSPs for aggregate value of Rs. 1,90,628.06 lakhs. Consistent growth in the Order Book has materialized due to its continued focus on Projects and its ability to successfully bid and win new Projects. The Company's experience in designing, engineering, construction, operations and maintenance of Projects, technical capabilities, timely performance, reputation for quality and timely delivery, financial strength as well as the price competitiveness has enabled it to successfully bid and win projects. Its capabilities as an established player allows it to focus on Projects with EPC/ HAM and O&M components. Post the commissioning of the project, O&M provide steady cash flows and adds to the Company's margins.

In-house execution capabilities with timely delivery and established track record enabling consistent increase in eligibility for high value project tenders: As on June 30, 2024, EIEL has successfully developed 28 WWTPs and WSSPs across India in past seven (7) years which includes 22 projects with 10 MLD capacity and above. It has an established track record of installing projects timely and in an efficient manner. Its focus is to leverage its in-house designing and execution capabilities to complete projects in a timely manner while maintaining high quality of engineering and construction. Its project management teams, working in conjunction with the design and engineering team, ensures operational efficiencies through overall supervision of the manufacturing and project execution process. Its track record of successful completion of complex projects in a timely manner has allowed EIEL to grow business over the years. It has the three important ingredients required by any company in its industry i.e. an in-house design and engineering team, skilled manpower to execute projects in a timely manner and strong post completion team for operations and maintenance of completed projects.

Use of advanced technologies in the construction and installation of WWTPs or WSSPs: The designing and engineering of projects is technically complex, time consuming and resource intensive because of unique project requirements. EIEL constantly upgrades its technical abilities to offer its clients the full range of services at lower cost and without compromising on quality. Further, it is offering MBBR in various combinations like IFAS in already existing/ partly build systems, to use existing the infrastructure to its maximum by avoiding major civil works, and provide cost effective and viable solutions, meeting the effluent norms at the same time. Over the years it has deployed several tertiary treatment technologies such as dual media filters, activated carbon filters, rapid sand gravity filters, chlorination, UV treatment. EIEL is also providing disc filters, ultra-filtration in its ongoing projects. The treatment process at most of the STPs and CETPs installed by it is ZLD compliant and the treated water can be used for horticulture, washing, refrigeration or other process industries.

Experienced Promoters and senior management team: EIEL's Promoters, Sanjay Jain and Manish Jain are qualified professionals with an individual experience of more than two (2) decades in the water & waste-water treatment industry and has been instrumental in driving its growth since inception of its business. The Company's senior management team is well qualified and experienced in the execution of WWTP & WSSP projects and has been responsible for the growth of its business. Its motivated senior management team and its internal process systems complement each other in delivering high levels of client satisfaction.

Consistent financial performance: EIEL has demonstrated a consistent financial performance over the years with growth in terms of revenues and profitability. Over the last three financial years, it has focused its attention towards expanding its projects both in terms of number and capacity, which has resulted in an increase in its revenue from operations and profits. As of June 30, 2024, its debt equity ratio was 0.95. The stable growth in revenue and profits enable EIEL to fund its strategic initiatives and pursue opportunities for growth.

Business Strategy:

Increasing the size of projects and pre-qualification: EIEL's primary focus is to strengthen its prospects in executing WWTP and WSSP projects. It will continue to focus on the designing, construction, operation and maintenance of Projects while seeking opportunities to further increase the size of its projects from the current 50 to 200 MLD for STPs and 20 to 50 MLD for CETPs. It will continue to bid for WWTPs and WSSPs both on EPC and HAM basis. It has executed projects, both construction and upgradation in the range of 5 to 100 MLD in case of STPs and 3 to 26 MLD in case of CETPs. It intends to capitalize on its experience and project execution expertise and continue to selectively pursue larger Projects, both independently and in partnership with other players in the industry. Increase in the size of projects will also lead to EIEL becoming pre-qualified for larger projects of higher MLD.

Expansion of geographical footprint*:* EIEL has successfully developed 28 WWTPs and WSSPs across India in past seven (7) years which includes 22 projects with 10 MLD capacity and above as on June 30, 2024 across states of Gujarat, Rajasthan, Punjab, Haryana, Uttar Pradesh, Uttarakhand and Chhattisgarh. It is presently executing projects in eight (8) states namely, Gujarat, Rajasthan, Delhi, Jharkhand, Karnataka, Uttar Pradesh, Chattisgarh and Madhya Pradesh. It intends to further expand its business operations to other regions of the country, especially the East and South India. The Company has recently been awarded projects in the State of Jharkhand and Karnataka

and has submitted bids for projects in the State of Odisha, West Bengal and Goa. It plans to continue its strategy of diversifying and expanding its presence in these regions for the growth of its business. Through further diversification of its operations geographically, EIEL hopes to hedge against risks of operations in only specific areas and ensure protection from fluctuations resulting from business concentration in limited geographical areas.

Plan to further bid for HAM projects: EIEL, along with its joint venture partners, has been awarded two (2) HAM projects having a contract value of Rs. 23,372.10 lakhs and Rs. 24,001 lakhs, respectively. Both these projects have been awarded by the Uttar Pradesh Jal Nigam, under the Namami Gange Programme, for cleaning, rejuvenation and protection of river Ganga at Bareilly and Mathura, Uttar Pradesh. The consortium partners have incorporated project related SPVs for the execution of these projects. The project at Bareilly, Uttar Pradesh involved the design, development and operation & maintenance of 3 STPs aggregating to 63 MLD along with associated infrastructure. The HAM concession agreement required the SPV, EIEPL Bareilly Infra Engineers Private Limited ("EIEL Bareilly") to install the project within a period of 21 months from the effective date as per the agreement, followed by 3 months' trial run and O&M for a period of 15 years. The Company has completed this project ahead of the scheduled time by more than two months.

Further, for another HAM based STP project at Saharanpur, Uttar Pradesh, EIEL along with its JV partner has been awarded the project vide letter of award dated July 26, 2024. This project entails design, development and operation & maintenance of STP of 135 MLD along with associated infrastructure. The Company along with its joint venture partner has incorporated the SPV, Enviro Infra Engineers (Saharanpur) Private Limited ("EIEL Saharanpur") to develop the project, followed by 3 months' trial run and O&M for a period of 15 years. The funding and execution of HAM projects will enable the Company to qualify and bid for larger HAM projects requiring further funding and technical expertise going forward.

New initiatives towards "Waste to Energy" as a part of the projects: Wastewater, often misunderstood as mere waste, contains valuable organic matter, essential nutrients and energy-rich compounds. Embracing a shift that recognises wastewater as a valuable resource, rather than a burdensome by-product, not only promotes environmental sustainability but also unlocks promising economic opportunities. Transitioning from a linear model of wastewater management to a circular economy approach, wherein wastewater is viewed as a valuable input rather than a disposable output, contributes towards transformative shift in wastewater treatment practices. EIEL assesses the environmental impact of its projects and has adopted a comprehensive approach to sustainable development from an early design phase through the construction period. Through the implementation of such technologies and strategies, water utilities can harness the inherent energy, nutrients and organic matter present in wastewater to drive sustainable solutions and foster a regenerative approach to resource utilisation.

Recognizing waste-water as a valuable resource, government authorities in certain bids are stressing upon the installation of Compressed Bio Gas (CBG) plant as a part of the project to produce CBG from STP. EIEL will be installing CBG plants at its ongoing projects at Jodhpur and Jaipur in Rajasthan. The CBG generated and purified will be directly sold to OMCs in or used for power generation once these STPs are established and running. The installation of solar power plants is expected to reduce the cost of power to be drawn from the grid. The generation of CBG is expected to further enhance its O&M revenues from the projects. Further, on account of installing and using green energy solutions like solar power plants and CBG plants at its HAM projects, the Company is expected to become eligible for the incentives and benefits that are available to companies into sustainable development. By integrating solar power plants and Compressed Bio Gas (CBG) plants into its projects, EIEL is now focussing on "Projects contributing to Sustainable Development". Out of its existing order book of 21 WWTPs and WSSPs it is developing 7 such projects as "Projects contributing to Sustainable Development".

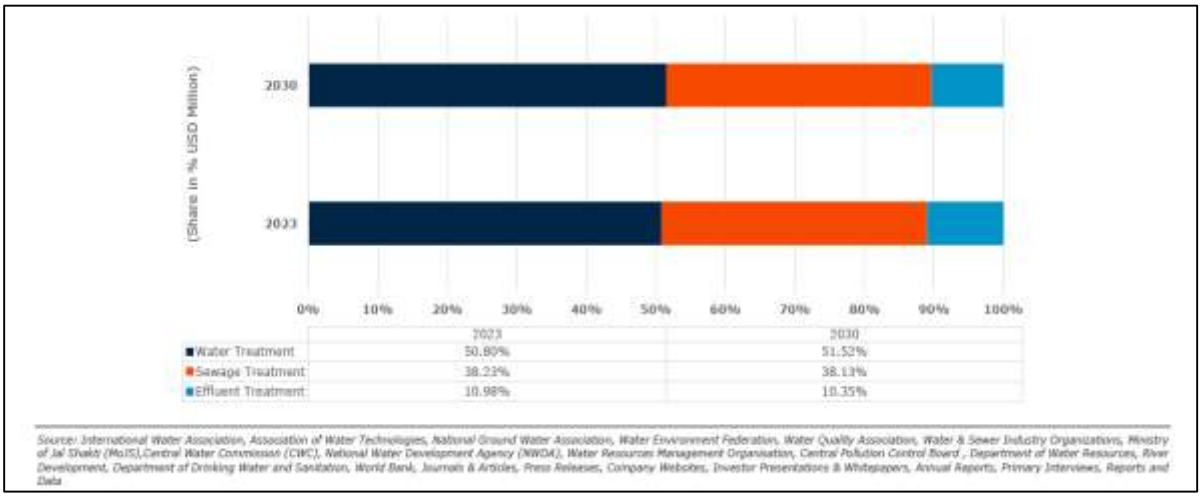
Capitalize on Government policy initiatives in WWTP and WSSP sectors: The Central Government scheme namely, 'Har Ghar Jal', under the Jal Jeevan Mission, launched by the Ministry of Jal Shakti is coming up with a number of rural water supply schemes in almost all the states. Central Government schemes like Atal Mission for Rejuvenation and Urban Transformation 2.0 provides for universal sewerage, septage management and strengthening the water supply in cities thereby promoting the circular economy of water while Namami Gange Programme aims for achieving dual objectives of effective pollution abatement, and conservation and rejuvenation of the National River Ganga and its tributaries. EIEL is presently executing 5 projects under the Atal Mission for Rejuvenation and Urban Transformation, 5 projects under the Jal Jeevan Mission, 2 projects under the Namami Gange Programme and 1 project under the National Mission for Clean Ganga.

Industry Overview

Global Water and Wastewater Treatment Market by Type Insights & Trend

The demand for Water Treatment accounted for over USD 146.60 billion in 2023 and is expected to grow at a CAGR of 6.89% in the forecast period.

Global Water and Wastewater Treatment Market: Type Dynamics (Share in % USD Billion)



Source: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS),Central Water Commission (CWC), National Water Development Agency (NWDA), Water Resources Management Organisation, Central Pollution Control Board , Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

Global Water and Wastewater Treatment Market Revenue Estimates and Forecasts, By Type, 2019-2033, (USD Billion)

Type	2019	2022	2023	2024	2027	2030	2033	CAGR% (2024-33)
Water Treatment	116.429	137.699	146.602	156.208	189.632	231.724	284.633	6.89%
Wastewater Treatment	119.541	136.175	142.940	150.123	174.266	203.094	237.337	5.22%
Total	235.970	273.874	289.542	306.332	363.897	434.818	521.970	6.10%

Source: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS),Central Water Commission (CWC), National Water Development Agency (NWDA), Water Resources Management Organisation, Central Pollution Control Board , Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

WATER TREATMENT

Water treatment, an essential process in safeguarding access to clean water, has seen significant growth and development in response to escalating challenges posed by water scarcity, pollution, and increasing demand. As the Earth's population continues to surge and industrial activities expand, the need for reliable and efficient water treatment methods becomes ever more pronounced. The escalating demand for water treatment stems from the finite nature of freshwater resources. Despite covering about 71% of the Earth's surface, only a minuscule fraction—approximately 3%—is fresh and suitable for human consumption. The bulk of freshwater remains locked in ice caps and glaciers, with surface water sources like lakes and rivers serving as vital reservoirs for human use. However, rapid urbanization, industrialization, and agricultural practices have led to the contamination of these surface water bodies, further exacerbating the scarcity of clean water.

Region	2019	2022	2023	2024	2027	2030	2033	CAGR% (2024-33)
Asia Pacific	28.662	33.949	36.163	38.554	46.883	57.389	70.619	6.96%
Europe	34.556	40.816	43.433	46.256	56.069	68.407	83.892	6.84%
North America	44.492	52.646	56.060	59.745	72.569	88.729	109.054	6.91%
Middle East & Africa	3.514	4.122	4.376	4.648	5.590	6.764	8.226	6.55%
Latin America	5.204	6.167	6.570	7.005	8.521	10.434	12.842	6.97%
Total	116.429	137.699	146.602	156.208	189.632	231.724	284.633	6.89%

Sources: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS),Central Water Commission (CWC), National Water Development Agency (NWDA), Water Resources Management Organisation, Central Pollution Control Board , Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

Water treatment processes play a pivotal role in mitigating the effects of pollution and ensuring that water is safe for various applications, including drinking, agriculture, and industrial processes. These treatment methods encompass a spectrum of physical, chemical, and biological techniques aimed at removing contaminants and undesirable substances from water. From the initial stages of collection and screening to final steps of disinfection and distribution, each phase of the treatment process is meticulously designed to purify water and make it fit for consumption. Moreover, advancements in water treatment technologies have propelled the industry forward, enabling more efficient and sustainable methods of purification. Innovations such as membrane filtration, ultraviolet (UV) disinfection, and advanced oxidation processes have revolutionized the way water is treated, offering higher efficacy and lower environmental impact compared to conventional methods. Additionally, the integration of smart sensors, automation, and data analytics has enhanced the monitoring and control of water treatment processes, ensuring optimal performance and resource utilization.

Moreover, recent trends in water treatment highlight the growing importance of technology-driven approaches to address water scarcity and quality challenges. Innovations such as IoT-enabled water quality monitoring and cloud-based purification management offer real-time insights and optimization opportunities, enhancing efficiency and sustainability across the water treatment lifecycle. Furthermore, advancements in membrane technology, carbon-based purification, and desalination are revolutionizing water treatment processes, making them more efficient, cost-effective, and environmentally friendly. From polymer membranes to biomimetic filtration systems, these innovations hold immense potential to meet the rising demand for clean water while minimizing waste and environmental impact.

The growth of the water treatment industry is further fueled by increasing awareness of water-related issues and the implementation of stringent regulations governing water quality and sanitation. Governments, environmental agencies, and international organizations have placed greater emphasis on promoting sustainable water management practices and investing in infrastructure for water treatment and distribution. This heightened focus on water sustainability has spurred investments in research and development, fostering innovation and the adoption of eco-friendly treatment solutions. Furthermore, the water treatment sector is witnessing a shift towards decentralized and modular treatment systems, catering to diverse needs and localized challenges. These decentralized systems offer flexibility, scalability, and resilience, particularly in remote or underserved areas where centralized infrastructure may be lacking. Moreover, decentralized treatment solutions contribute to resource conservation and climate resilience by minimizing water losses and reducing energy consumption associated with long-distance water transport. Thus, as the world strives to achieve the United Nations Sustainable Development Goal of ensuring access to clean water and sanitation for all, the convergence of technological innovation and collaborative research will play a pivotal role in shaping the future of water treatment. By leveraging cutting-edge technologies and interdisciplinary approaches, the water treatment industry is poised to address the complex challenges posed by water scarcity and pollution, safeguarding this precious resource for generations to come.

Water Treatment Market Revenue Estimates and Forecasts, By Region, 2019-2033, (USD Billion)

Wastewater Treatment

The wastewater treatment industry is experiencing significant growth and evolution driven by a convergence of factors ranging from urbanization and industrialization to regulatory imperatives and heightened environmental awareness. At its core, wastewater treatment is vital for maintaining water quality, safeguarding public health, and preserving aquatic ecosystems. As urban populations expand and industrial activities intensify globally, the volume of wastewater generated continues to rise, necessitating more advanced treatment solutions to mitigate its environmental impact. One of the primary drivers of growth in the wastewater treatment sector is the increasing demand for efficient purification technologies capable of addressing diverse sources of contamination. From residential sewage to industrial effluents, wastewater contains a myriad of pollutants, including organic matter, chemicals, and pathogens, which must be effectively removed before discharge. This demand for comprehensive treatment solutions is propelling innovation in the industry, fostering the development of advanced processes and technologies aimed at achieving higher levels of treatment efficiency.

Moreover, stringent regulatory standards and environmental mandates play a pivotal role in shaping the trajectory of the wastewater treatment market. Governments worldwide are enacting stricter regulations to control water pollution and ensure compliance with effluent quality standards. Legislation such as the Environment (Protection) Act of 1986 and the Water (Prevention & Control of Pollution) Act of 1974 require industrial units to install effluent treatment plants (ETPs) and treat their effluents to meet environmental standards before discharging into water bodies. This regulatory framework not only compels industries to invest in wastewater treatment infrastructure but also incentivizes innovation and the adoption of cleaner technologies to meet evolving compliance requirements. Consequently, wastewater treatment companies are under increasing pressure to enhance treatment efficacy, reduce energy consumption, and minimize the environmental footprint of their operations.

Furthermore, growing awareness of the interdependence between water quality, human health, and ecological well-being is driving the demand for sustainable wastewater treatment solutions. Stakeholders across sectors, including governments, municipalities, industries, and communities, recognize the importance of investing in wastewater infrastructure that aligns with broader sustainability objectives. This includes promoting water reuse and recycling initiatives, implementing circular economy principles, and adopting eco-friendly treatment practices to minimize environmental degradation and resource depletion. The wastewater treatment market is characterized

by a dynamic landscape of innovation and adaptation, with key players continuously investing in research and development to address emerging challenges and opportunities. Technologies such as membrane filtration, biological treatment, and advanced oxidation processes are becoming increasingly prevalent, offering more efficient and cost-effective solutions for pollutant removal and resource recovery. Moreover, digitalization and data analytics are revolutionizing wastewater management, enabling real-time monitoring, predictive maintenance, and optimized operations for improved performance and resilience. Thus, the wastewater treatment industry is poised for sustained growth and innovation as it continues to play a critical role in addressing the global water crisis. By embracing technological advancements, regulatory compliance, and sustainability principles, wastewater treatment companies can drive positive environmental outcomes, protect public health, and contribute to the preservation of water resources for future generations.

Wastewater Treatment Market Revenue Estimates and Forecasts, By Region, 2019-2033, (USD Billion)

Region	2019	2022	2023	2024	2027	2030	2033	CAGR% (2024-33)
Asia Pacific	29.500	33.645	35.332	37.124	43.153	50.361	58.934	5.27%
Europe	35.583	40.495	42.492	44.612	51.731	60.224	70.302	5.18%
North America	45.516	51.865	54.448	57.191	66.410	77.423	90.506	5.23%
Middle East & Africa	3.622	4.100	4.294	4.499	5.186	6.000	6.961	4.97%
Latin America	5.320	6.069	6.374	6.697	7.786	9.087	10.634	5.27%
Total	119.541	136.175	142.940	150.123	174.266	203.094	237.337	5.22%

Sources: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS),Central Water Commission (CWC), National Water Development Agency (NWDA), Water Resources Management Organisation, Central Pollution Control Board , Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

Based on type, the water treatment segment is expected to have major share in the water and wastewater treatment market with a CAGR of 6.89% in terms of value. The demand for water treatment services and technologies has been steadily increasing due to several key factors driving the need for clean and safe water. One of the primary drivers is the growing global population, which puts immense pressure on water resources. As more people inhabit urban areas and industrialization expands, the demand for fresh water for drinking, industrial processes, and agricultural activities rises significantly. This demographic shift has led to a heightened awareness of the importance of water quality and the need for effective treatment solutions. Furthermore, increasing environmental regulations and standards have mandated stricter requirements for wastewater discharge and water quality management. Governments and regulatory bodies across the globe are enforcing stringent guidelines to ensure that water bodies are protected from pollution and contamination. This has spurred industries, municipalities, and communities to invest in advanced water treatment technologies to meet compliance standards and reduce their environmental impact.

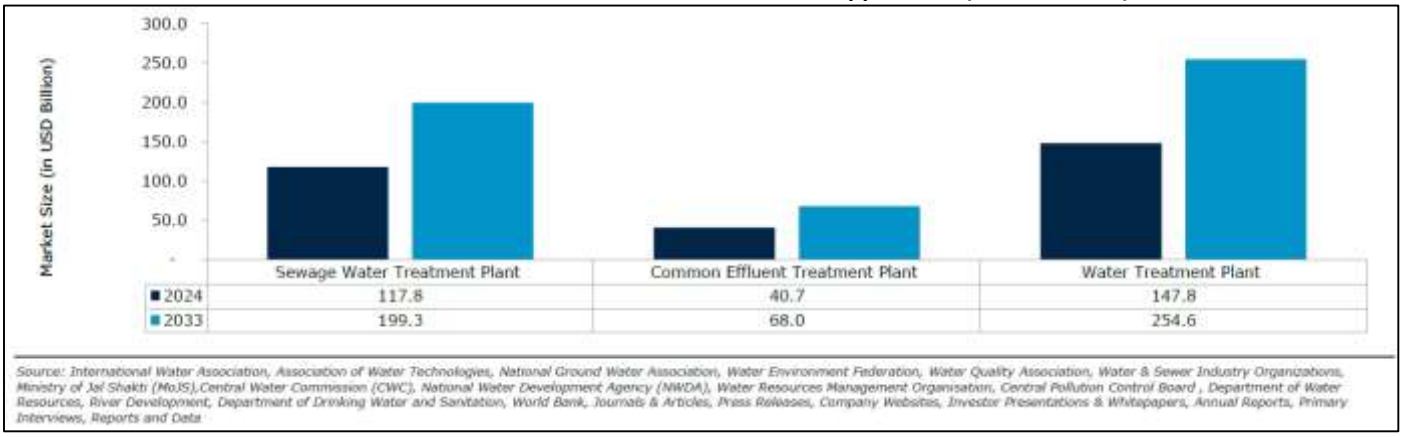
Global Water And Wastewater Treatment Market By Application Insights & Trend

The demand for Water Treatment accounted for over USD 139.57 Billion in 2023 and is expected to grow at a CAGR of 6.23% in the forecast period.

By Application, the market is segmented into:

- Sewage Water Treatment Plant
- Common Effluent Treatment Plant
- Water Treatment Plant

Global Water and Wastewater Treatment Market: Application (In USD Billion)



Source: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS),Central Water Commission (CWC), National Water Development Agency (NWDA), Water Resources Management Organisation, Central Pollution Control Board , Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

Among the applications segments, the water treatment plant segment is expected to account for a significantly large revenue share and register a CAGR of 6.23% during the forecast period. As populations grow and urbanization accelerates, the strain on water resources intensifies, necessitating advanced treatment technologies to ensure water safety and sustainability. Water treatment plants play a pivotal role in addressing this challenge by employing various processes. Furthermore, the demand surge is driven by heightened environmental consciousness and regulatory compliance. Governments worldwide are enacting stricter regulations on wastewater discharge, compelling industries and municipalities to invest in robust treatment infrastructures. This trend is particularly pronounced in industries like chemicals, pharmaceuticals, and manufacturing, where stringent effluent standards necessitate advanced treatment processes such as reverse osmosis, ultraviolet disinfection, and advanced oxidation.

Global Water and Wastewater Treatment Market Revenue Estimates and Forecasts, By Application, 2019-2033, (USD Billion)

Application	2019	2022	2023	2024	2027	2030	2033	CAGR% (2024-33)
Sewage Water Treatment Plant	91.017	105.439	111.393	117.769	139.596	166.429	199.329	6.02%
Common Effluent Treatment Plant	31.686	36.568	38.579	40.729	48.069	57.052	68.016	5.86%
Water Treatment Plant	113.267	131.867	139.570	147.834	176.232	211.337	254.626	6.23%
Total	235.970	273.874	289.542	306.332	363.897	434.818	521.970	6.10%

Source: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS),Central Water Commission (CWC), National Water Development Agency (NWDA), Water Resources Management Organisation, Central Pollution Control Board , Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

Sewage Water Treatment Plant

Sewage treatment plants represent the backbone of modern wastewater management systems, crucial for maintaining environmental sustainability and public health standards. As populations expand and urban areas grow, the demand for effective sewage treatment has escalated, prompting significant advancements in treatment technologies and infrastructure development. At its core, sewage treatment plants are tasked with the vital responsibility of collecting, treating, and ultimately disposing or reusing wastewater generated from various sources, including households, industries, and commercial establishments. The treatment process undergoes several stages, each designed to progressively remove contaminants and pollutants from the wastewater, rendering it safe for discharge into the environment or reuse in various applications.

The initial stage of sewage treatment typically involves preliminary filtration, where large solids and debris are removed from the wastewater through screens and grit chambers. This process helps prevent clogging and damage to downstream equipment, ensuring smooth operation of the treatment plant. Following preliminary filtration, the wastewater undergoes primary treatment, aimed at separating solids from liquids. In this stage, gravity sedimentation tanks allow suspended solids to settle at the bottom, forming sludge, while the clarified water is separated and advanced for further treatment. Secondary treatment represents a critical phase in sewage treatment, often involving biological processes to degrade organic contaminants present in the wastewater. Technologies such as activated sludge and trickling filters facilitate the growth of beneficial microorganisms that metabolize organic matter, significantly reducing pollutant levels in the water. Secondary treatment plays a pivotal role in improving water quality and minimizing environmental pollution by enhancing the removal of pathogens and harmful substances.

As sewage treatment standards become increasingly stringent, tertiary treatment has emerged as an essential component in many modern treatment plants. Tertiary treatment focuses on achieving the highest possible water quality standards by employing advanced processes such as microfiltration, ion exchange, and disinfection. These methods effectively remove remaining contaminants, pathogens, and nutrients from wastewater, ensuring compliance with regulatory requirements and safeguarding public health. The growth of sewage treatment plants has paralleled the rapid urbanization and industrialization witnessed globally. As cities expand and populations soar, the demand for reliable and efficient sewage treatment infrastructure has intensified. Consequently, significant investments have been made in the construction, upgrading, and expansion of sewage treatment plants worldwide, aiming to meet the escalating demand for wastewater treatment services while mitigating environmental impacts. Moreover, technological innovations have revolutionized sewage treatment processes, enabling greater efficiency, reliability, andsustainability. Advanced treatment technologies such as membrane bioreactors (MBRs), sequencing batch reactors (SBRs), and ultraviolet (UV) disinfection systems have become increasingly prevalent, offering enhanced performance and treatment outcomes. Furthermore, some of the top sewage treatment plants across the world includes Stickney Water Reclamation Plant in the USA, Deer Island Waste Water Treatment Plant in the USA, Detroit Wastewater Treatment Plant in the USA, Hyperion Sewage Treatment Plant in the USA, Bailonggang Wastewater Treatment Plant in China, Stonecutters Island Sewage Treatment Plant in Hong Kong, Gabal El Asfar Wastewater Treatment Plant in Egypt, Seine Aval Wastewater Treatment Plant in France, Morigasaki Water Reclamation Center in Japan, and Blue Plains Advanced Wastewater Treatment Plant in the USA.

Thus, sewage treatment plants play a pivotal role in safeguarding public health, protecting the environment, and promoting sustainable water management practices. The continuous growth and evolution of sewage treatment infrastructure underscore its critical importance in addressing the challenges posed by urbanization, industrialization, and environmental degradation. Through ongoing investments in technology, infrastructure, and regulatory frameworks, sewage treatment plants will continue to evolve, ensuring the safe and responsible management of wastewater for generations to come.

Water Treatment Plant

Water treatment plants play a pivotal role in ensuring access to clean and safe drinking water, a fundamental necessity for sustaining life and fostering socio-economic development. As the global population continues to grow and urbanize, the demand for clean water as surged, prompting the establishment and expansion of water treatment infrastructure worldwide. These facilities employ a range of sophisticated technologies and processes to purify water from diverse sources, including groundwater, surface water, and rainwater, making it suitable for human consumption and various industrial applications. Among the notable examples of large-scale water treatment plants is the James W. Jardine Water Purification Plant in Chicago, recognized as the world's largest such facility. Serving over 2.8 million people in north Chicago and adjacent suburban areas, the Jardine Plant epitomizes the scale and complexity of modern water treatment operations. Its comprehensive treatment process involves multiple stages, including chemical treatment, flocculation, sedimentation, filtration, and disinfection, ensuring the removal of contaminants and pathogens from raw water sourced from Lake Michigan.

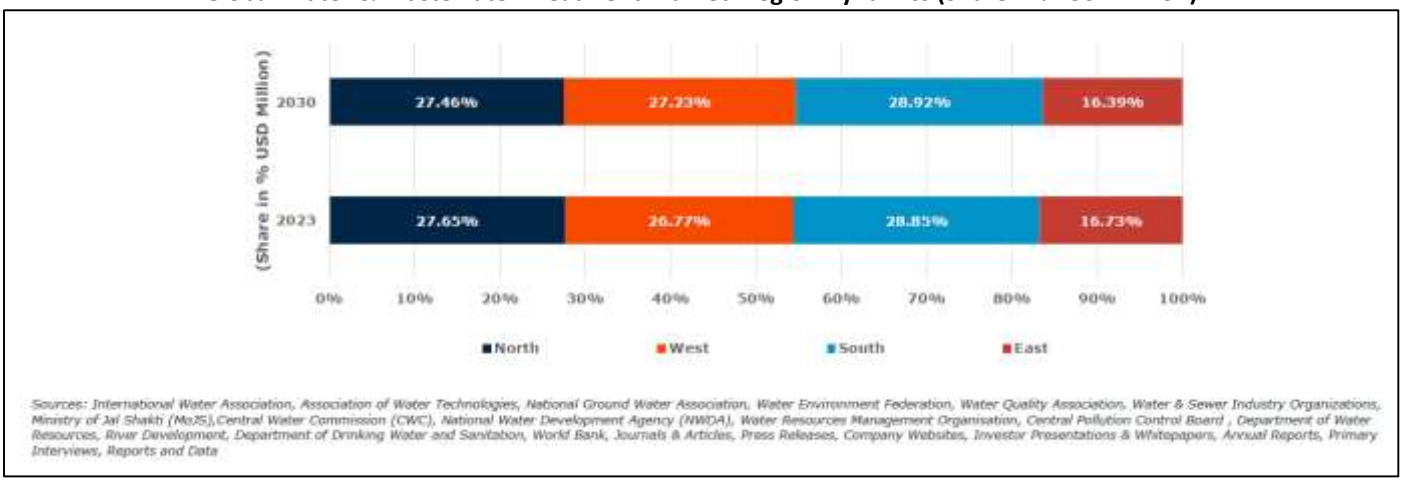
Similarly, the Guandu Water Treatment Plant in Rio de Janeiro stands as one of the world's largest water treatment facilities, processing over 981 million gallons per day to supply 90% of Rio's water demand. Employing conventional treatment methods such as coagulation, flocculation, sedimentation, and disinfection, the Guandu Plant plays a crucial role in safeguarding public health and supporting urban development in one of Brazil's largest cities. In Buenos Aires, Argentina, the Water Treatment Plant General San Martín exemplifies the significance of large-scale treatment infrastructure in meeting the water needs of densely populated urban areas. With a capacity exceeding 894 million gallons per day, the San Martín Plant serves a substantial portion of Buenos Aires' population, highlighting its pivotal role in ensuring water security and public health.

Moreover, beyond individual plant capacities and operational processes, the global evolution of water treatment reflects broader trends in urbanization, industrialization, and environmental management. As cities expand and populations grow, the demand for clean water continues to rise, necessitating continuous investment in water infrastructure, technology innovation, and policy reform to ensure equitable access to this vital resource. In this context, collaborative initiatives and knowledge-sharing platforms play a crucial role in advancing best practices, fostering innovation, and addressing emerging challenges such as water scarcity, pollution, and climate change. By leveraging insights and experiences from diverse regions and stakeholders, the global community can work towards building resilient and sustainable water systems that meet the needs of present and future generations. Thus, water treatment plants represent critical infrastructure assets that underpin public health, economic prosperity, and environmental sustainability across the globe. Through ongoing investment, innovation, and collaboration, these facilities play a central role in safeguarding water resources, enhancing resilience to emerging threats, and ensuring equitable access to clean and safe drinking water for all.

Global Water and Wastewater Treatment Market by Region Insights & Trends

Asia Pacific is expected to account for a share of 28.85% in the Water & Wastewater Treatment Market in 2033.

Global Water & Wastewater Treatment Market: Region Dynamics (Share in % USD Billion)



Sources: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS),Central Water Commission (CWC), National Water Development Agency (NWDA), Water Resources Management Organisation, Central Pollution Control Board , Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

Global Water & Wastewater Treatment Market Revenue Estimates and Forecasts, By Region, 2019-2033, (USD Billion)

Region	2019	2022	2023	2024	2027	2030	2033	CAGR% (2024-33)
Asia Pacific	58.163	67.594	71.495	75.679	90.035	107.750	129.553	6.16%
Europe	70.139	81.311	85.926	90.868	107.800	128.631	154.194	6.05%
North America	90.008	104.511	110.508	116.936	138.980	166.152	199.560	6.12%
Middle East & Africa	7.136	8.222	8.669	9.147	10.775	12.764	15.187	5.80%
Latin America	10.524	12.236	12.944	13.703	16.307	19.521	23.475	6.16%
Total	235.970	273.874	289.542	306.332	363.897	434.818	521.970	6.10%

Sources: International Water Association, Association of Water Technologies, National Ground Water Association, Water Environment Federation, Water Quality Association, Water & Sewer Industry Organizations, Ministry of Jal Shakti (MoJS),Central Water Commission (CWC), National Water Development Agency (NWDA), Water Resources Management Organisation, Central Pollution Control Board , Department of Water Resources, River Development, Department of Drinking Water and Sanitation, World Bank, Journals & Articles, Press Releases, Company Websites, Investor Presentations & Whitepapers, Annual Reports, Primary Interviews, Reports and Data

Government Policies and Regulatory Framework in India

According to Provisions of Environment (Protection) Act, 1986 and Water (Prevention & Control of Pollution), Act 1974, the industries must implement Effluent Treatment Plants (ETPs) and should treat respective effluents as per environmental standards before releasing it into rivers and water bodies. Thus, State Pollution Control Boards/Pollution Control Committees usually inspect the industries with respect to effluent discharge standards and also takes action for non-compliance under provisions of these Acts.

The IS 10500: 2012 DRINKING WATER — SPECIFICATION by Bureau of Indian Standards, aims to prescribes the requirements and the methods of sampling and test for drinking water.

The guidelines by WHO for drinking water specifications is prepared through a vast global consultative process involving WHO member states (India is the member state), national authorities and international agencies, in consultation with the WHO Expert Advisory Panel. Primary Water Quality Criteria for Bathing Waters by the Ministry of Environment and Forests (MoEF): In a water body or its part, water has several types of uses. Relying on water applications and activities, thus the water quality criteria have been specified to determine its suitability for a particular purpose. Among the various types of uses there is one use that demands the highest level of water quality or purity and that is termed as "Designated Best Use" in that stretch of water body. Based on this, water quality requirements have been specified for different uses in terms of primary water quality criteria.

According to Central Pollution Control Board of India the standard such as, WATER QUALITY STANDARDS FOR COASTAL WATERS MARINE OUTFALLS, in a coastal segment marine water is subjected to several types of uses. Depending on the types of uses and activities, water quality criteria have been specified to determine its suitability for a particular purpose. Among the various types of uses there is one use that demands the highest level of water quality/purity and that is termed a "designed best use" in that stretch of the coastal segment. Based on this, primary water quality criteria have been specified into five designated best uses.

As per Central Pollution Control Board of India the standard Designated Best Use Water Quality Criteria includes certain criteria for drinking water source without conventional treatment but after disinfection, outdoor bathing (organized), drinking water source after conventional treatment and disinfection, propagation of wild life and fisheries and irrigation, industrial cooling, controlled waste disposal.

Wastewater Scenario in India

With 1.38 billion inhabitants, India is the world's most populous country. According to the United Nations (2021), 67% of the population lives in rural areas, while 33% is connected to metropolitan centers. The country's urban cities are expanding rapidly because of economic development and reforms. This increase in urban population is unsustainable without effective city planning and the supply of utility services, particularly clean and inexpensive water. Water is often allocated in cities from a shared pool with multiple sectoral needs. It is projected that by 2050, around 1450 km3 of water would be required, with approximately 75% being utilized in agriculture, 7% for drinking water, 4% in industry, and 9% for energy generation. However, due to increasing urbanization, the need for drinking water will trump rural water requirements. Many towns are located on river banks, where fresh water is used by the people and waste water is disposed of back into the river, contaminating the water supply and irrigation water. This has created significant difficulties for urban wastewater management, planning, and treatment. According to the Central Pollution Control Board (CPCB), the predicted wastewater generation in rural areas was over 39,600 million liters per day (MLD), while in urban areas it was 72,368 MLD for the year 2020-21. The projected volume in big centers is about double that of rural areas due to the availability of more water for sanitation, which has raised the level of living.

As the country's population grows, so does the need for water and its management. Water scarcity is expected to become a serious issue in the future. Furthermore, pollution's impact on water supplies is a cause of worry. Some of the major causes of water pollution are the

release of industrial waste, the discharge of untreated or partially treated municipal wastewater through drains, the discharge of industrial effluent, improper solid waste management, illegal ground water abstraction, encroachments in flood plains/river banks, deforestation, improper water shade management, and the non-maintenance of e-flows and agricultural runoff, among others. The Government of India has devised several initiatives that focus on water conservation and restoration.

As a consequence, the number of contaminated river lengths has decreased from 351 in 2018 to 311 in 2022, and water quality has improved in 180 of the 351 contaminated River lengths (PRS) during 2018. According to research from the Ministry of Jal Shakti, a review of water quality over time reveals that in 2015, 70% of rivers examined were designated as contaminated, however in 2022, just 46% of rivers studied are identified as polluting. The need for water is only expected to rise in the coming years. The government's major priority is to provide safe drinking water. Drinking water quality has been a serious problem in rural regions over the years. The Central Water Commission (CWC) examines the country's total water resources on a regular basis, and it has designated water supply for drinking purposes as the main priority in water distribution.

Currently, there is no centrally mandated policy requirement for wastewater management in India. Water resources are mismanaged because of policy gaps and the lack of a defined regulatory framework. Untreated sewage waste is a major source of surface and groundwater contamination in India. The Water (Prevention and Control of Pollution) Act of 1974 was the country's first legislative legislation addressing the subject of water pollution and conservation. This Act addresses wastewater discharge as a pollution issue. This Act establishes Central and State Pollution Control Boards to oversee water pollution prevention and control. It punishes the act of interfering with water flow by discharging noxious chemicals into streams, wells, sewers, or land. SPCBs' operations on the ground are more thorough and direct, since it inspects sewage and trade effluents, wastewater treatment plants, and examines and establishes standards for the same. SPCBs' operations on the ground are more thorough and direct, since it inspects sewage and trade effluents, wastewater treatment plants, and examines and establishes standards for the same.

The estimated sewage generation from Class I cities and Class II towns, based on the 2001 census, is 29,129 million liters per day (MLD). Currently, this figure is projected to reach 33,212 MLD, assuming a 30% increase in urban population over the decade. In contrast, existing sewage treatment plants (STPs) have a capacity of only 6,190 MLD, with an additional 1,743 MLD capacity under development. This means that the current treatment capacity accounts for merely 18.6% of present sewage generation, with an extra 5.2% capacity being added. Moreover, the actual utilization of STPs stands at only 72.2%, resulting in just 13.5% of sewage being treated effectively. This situation highlights the serious inadequacy of sewage treatment, which is a primary contributor to the pollution of rivers and lakes. To enhance the water quality of these water bodies, it is essential to significantly increase sewage treatment capacity and optimize its usage.

Governments in addressing the challenges posed by river pollution. This support takes the form of financial and technical assistance. Financial assistance is extended to the State/UT Governments for pollution abatement in identified stretches of various rivers. This initiative falls under the Centrally Sponsored Scheme of the National River Conservation Plan (NRCP). The financing is based on a cost-sharing arrangement between the Central and State/UT Governments. The primary objective is to undertake pollution abatement works comprehensively. These works encompass a range of activities, including:

- Interception & Diversion of Raw Sewage: One of the critical components of pollution control is preventing raw sewage from directly entering rivers. Intercepting and diverting sewage away from water bodies is a fundamental step.
- Construction of Sewerage Systems: Developing an efficient sewerage system is essential for the proper collection and disposal of sewage.
- Sewage Treatment Plants (STPs): The establishment of STPs is crucial for treating sewage before it is released into rivers or water bodies. These plants significantly reduce the pollution load.
- Low-Cost Sanitation: Promoting low-cost sanitation facilities is an integral part of pollution abatement efforts.
- River Front/Bathing Ghat Development: Enhancing riverfront areas and bathing ghats not only improves the aesthetics but also contributes to the overall cleanliness of the rivers.

Key Concerns

- EIEL bids for Water and Wastewater Treatment Plants (WWTPs) & Water Supply Scheme Projects (WSSPs) funded by the Central and State Governments and derived its revenues from the contracts awarded to it. Any reduction in budgetary allocation to this sector may affect the number of projects that the government authorities/bodies may plan to develop in a particular period. Its business is directly and significantly dependent on projects awarded by them.

- Projects are awarded through the competitive bidding process by government authorities/bodies. EIEL may not be able to qualify for, compete and win future projects, which could adversely affect its business and results of operations.

- Rely on in-house designing, engineering and construction teams for project execution. Loss of employee(s) may have an adverse effect on the execution of its projects.

- Business is working capital intensive. If it experiences insufficient cash flows to meet required payments on its working capital requirements, there may be an adverse effect on the results of its operations.

- Order Book shall mean estimated contract value of the unexecuted portion of its existing assigned EPC/ HAM contracts and is an indicator of visibility of its future revenue and it may not be representative of its future results and its actual income may be significantly less than the estimates reflected in its Order Book, which could adversely affect the results of operations.

- Failure to capitalize on government policy initiatives in the water and wastewater treatment market.

- Rely on various third parties in the civil construction activities for installing Water and Wastewater Treatment Plants (WWTPs) & Water Supply Scheme Projects (WSSPs) and factors affecting the performance of their obligations could adversely affect the projects.

- Rely on joint venture partners for selective government projects bids and execution of awarded projects.

- The failure of a joint venture partner to perform its obligations could impose additional financial and performance obligations resulting in reduced profits or, in some cases, significant losses from the joint venture and may have an adverse effect on its business, results of operations and financial condition.

- Diversified its offerings with "Waste to Energy" additions like Solar Power Plants and Compressed Bio Gas (CBG) forming a part of projects. It may fail in implementing these initiatives successfully which may affect its future growth and prospects.

- EIEL has experienced negative cash flows in the past and may continue to do so in the future and the same may adversely affect its cash flow requirements, which in turn may adversely affect its ability to operate business and implement growth plans, thereby affecting financial condition.

- Increase in the prices of construction materials and labour & works contract charges could have an adverse effect on the business, results of operations and financial condition.

- Actual cost in executing Water and Wastewater Treatment Plants (WWTPs) & Water Supply Scheme Projects (WSSPs) may vary substantially from the assumptions underlying its bid or estimates. It may be unable to recover all or some of the additional costs and expenses, which may have a material adverse effect on its results of operations, cash flows and financial condition.

- EIEL deploys advanced technologies in the designing and installation of Water and Wastewater Treatment Plants (WWTPs) & Water Supply Scheme Projects (WSSPs). Any incapability to adopt a new technology or change in the requirement of a particular technology by the government authorities may affect its position to bid for Water and Wastewater Treatment Plants (WWTPs) & Water Supply Scheme Projects (WSSPs).

- An inability to comply with repayment and other covenants in the financing agreements or otherwise meet its debt servicing obligations could adversely affect its business, financial condition, cash flows and credit rating.

- If EIEL fails to undertake Operation and Maintenance (O&M) works or if there is any deficiency of service regarding these works in the projects installed by it pursuant to and as per the relevant contractual requirements, it may be subject to penalties or even termination of its contracts, which may have a material adverse effect on its reputation, business, financial condition, results of operations and cash flows.

- EIEL may not be able to realise the amounts reflected in its Order Book which may materially and adversely affect the business, prospects, reputation, profitability, financial condition and results of operation.

- Business is substantially dependent on its design and engineering teams to accurately carry out the pre-bidding engineering studies for potential projects.

- Any deviation during the execution of the project as compared to EIEL's pre-bid estimates could have a material adverse effect on its cashflows, results of operations and financial condition.

- Business transactions are with government or government funded entities in India, which may expose it to risk, including additional regulatory scrutiny.
- Water treatment or reuse and zero liquid discharge technology is subject to rapid change. These changes may affect the demand for its services. If EIEL is unable to keep abreast of the technological changes and new introductions its business, results of operations and financial condition may be adversely affected.
- The Company may be subject to liability claims or claims for damages or termination of contracts for failure to meet project completion timelines or defective work, which may adversely impact its profitability, cash flows, results of operations and reputation
- Business is exposed to various implementation risk and other uncertainties which may adversely affect the business, results of operations and financial condition.
- EIEL has projects in diverse geographical regions which may expose it to various challenges.
- Failure to increase the size of the projects and pre-qualification may affect EIEL's growth prospects.
- Any adverse revision to its credit rating by rating agencies may adversely affect its ability to raise additional financing and the interest rates and other commercial terms at which such funding is available.
- Contracts with government authorities/bodies usually contain terms that favour them, who may terminate EIEL's contracts prematurely under various circumstances beyond its control and as such, it has limited ability to negotiate terms of these contracts and may have to accept restrictive or onerous provisions.
- EIEL is dependent upon the experience and skill of its management team and a number of Key Managerial Personnel (KMP) and Senior Management Personnel (SMP). If it is unable to attract or retain such qualified personnel, this could adversely affect the business, results of operations and financial condition.
- Failure to accurately forecast and manage inventory could result in an unexpected shortfall and/ or surplus of raw materials, equipment and manpower, which could affect the business and financial condition.
- Dependent on the recurring revenue from EIEL's operating and maintenance contracts, which is in almost all cases an inherent part of its EPC and HAM project contract. Cancellations of its operating and maintenance contracts may adversely affect the business, financial condition, results of operations and prospects.
- Any inability to maintain equipment assets or manage employees or inadequate workloads may cause underutilization of workforce and equipment, and such underutilization could reduce EIEL's ability to efficiently utilize its assets which may have an impact on its profitability.
- In the event of failure to complete of the projects or delay in execution of the projects, EIEL may not be able to recognize the revenue from the projects in its books of accounts.
- Inability to respond adequately to increased competition from organised and unorganised in the business may adversely affect the business, financial condition and results of operations.
- It cannot be assured that it will be able to successfully execute its growth strategies, which could affect the business prospects, results of operations and financial condition.
- Lack of water and infrastructure management poses significant restraints on the growth of the water and wastewater treatment market.
- High installation, equipment, and operations costs significantly restrain the growth of the water and wastewater treatment market.
- Groundwater depletion and untreated water discharge present significant challenges for the growth of the water and wastewater treatment market, reflecting critical environmental and economic concern.

- The growth of water and wastewater treatment is hindered by lack of required techno-commercial awareness in the water and wastewater treatment industry.
- A slowdown in economic growth in India could adversely affect the business.
- Financial instability in other countries may cause increased volatility in Indian financial markets.
- All revenue is derived from business in India and a decline in economic growth or political instability or changes in the Government in India could adversely affect the business

Profit & Loss

Particulars (Rs in Lakhs)	Q1FY25	FY24	FY23	FY22
Revenue from operations	20518.0	72891.5	33810.2	22352.5
Other Income	227.6	909.0	356.0	209.9
Total Income	**20745.6**	**73800.5**	**34166.2**	**22562.4**
Total Expenditure	**15389.6**	**55959.3**	**25641.5**	**17350.3**
Cost of materials consumed	10401.8	40495.6	18028.0	8889.0
Stores, Spares and Tools Consumed and Hiring of Equipment & Machinery	157.8	570.7	355.1	312.9
Other Construction and Operating Expenses	2941.7	10225.4	4310.2	6391.3
Employee benefits expense	1021.9	3388.7	2181.5	1448.3
Sales administration and other expenses	866.4	1278.9	766.7	308.8
PBIDT	**5356.0**	**17841.2**	**8524.8**	**5212.1**
Interest	848.0	2251.7	835.5	433.3
PBDT	**4508.1**	**15589.5**	**7689.3**	**4778.8**
Depreciation and amortization	196.5	608.4	230.4	171.9
PBT	**4311.6**	**14981.0**	**7458.9**	**4606.9**
Tax (incl. DT & FBT)	**1314.8**	**4124.1**	**1925.0**	**1152.1**
Current tax	1333.2	4206.1	1952.8	1186.8
(Excess)/Short Provision of Income Tax for Earlier Years	0.0	4.6	3.4	-16.2
Deferred tax	-18.4	-86.6	-31.2	-18.6
PAT	**2996.8**	**10857.0**	**5533.9**	**3454.9**
Non-Controlling interest	-81.0	-197.5	36.1	-0.2
Adj. PAT	**3077.8**	**11054.4**	**5497.8**	**3455.0**
EPS (Rs.)	2.3	8.1	4.3	2.7
Face Value	10	10	10	10
OPM (%)	25.0	23.2	24.2	22.4
PATM (%)	14.6	14.9	16.4	15.5

Balance Sheet

Particulars (Rs in Lakhs)As at	Q1FY25	FY24	FY23	FY22
Non-current assets				
Property, plant and equipment	5,121.8	4,691.0	1,831.2	1,017.0
Capital work-in-progress	23.3	138.2	26.4	0.0
Intangible assets	0.0	0.0	2.6	3.1
Loans and Advances	2.6	5.2	3.0	1.7
Financial assets				
Other financial assets	15,145.6	14,981.3	9,549.3	2,303.0
Deferred Tax Assets (Net)	215.0	196.6	109.9	75.8
Total non-current assets	**20,508.2**	**20,012.3**	**11,522.3**	**3,400.5**
Current assets				
Inventories	2,027.9	3,527.3	982.5	836.5
Financial assets				
Trade receivables	11,226.8	10,411.4	5,652.1	3,945.0
Cash and cash equivalents	22.3	86.7	237.7	23.7
Bank balances other than cash and cash equivalents	12,045.8	14,765.4	8,989.3	2,467.3
Loans & Advances	6.0	7.2	4.8	3.3
Other financial assets	31,526.2	23,422.4	5,471.7	3,360.5
Current Tax Asset (Net)	153.5	144.4	131.4	67.6
Other current assets	3,770.5	3,742.1	1,766.7	722.2
Total current assets	**60,779.0**	**56,106.9**	**23,236.2**	**11,426.2**

Total assets	**81,287.3**	**76,119.2**	**34,758.5**	**14,826.7**
EQUITY & LIABILITIES				
Equity				
Equity share capital	13,685.0	13,685.0	2,562.0	244.0
Other equity	18,614.6	15,533.4	10,089.4	6,918.3
Non-controlling interest	-237.3	-158.9	37.2	1.1
Total equity	**32,062.3**	**29,059.4**	**12,688.6**	**7,163.4**
Liabilities				
Non-current Liabilities				
Financial Liabilities				
Borrowings	10,674.1	9,009.5	4,381.1	180.0
Other financial liabilities	3,103.1	1,453.5	983.1	585.8
Other non-current liabilities	0.0	0.0	594.3	0.0
Provisions	104.1	98.1	87.7	63.7
Total non-current liabilities	**13,881.3**	**10,561.2**	**6,046.1**	**829.5**
Current liabilities				
Financial liabilities				
Borrowings	19,884.9	14,350.0	2,073.4	1,631.2
Trade payables				
Total Outstanding dues of Micro Enterprises and Small Enterprises	1,701.7	1,091.7	3,204.1	1,852.6
total outstanding dues of creditors other than micro enterprises and small enterprises	5,881.7	15,213.1	6,548.3	1,684.1
Other financial liabilities	*4,095.80*	*2,820.28*	*906.56*	*668.72*
Provisions	29.1	26.5	16.2	8.3
Other current liabilities	693.7	998.5	3,004.5	283.2
Current tax liabilities (net)	3,056.8	1,998.5	270.8	705.7
Total current liabilities	**35,343.7**	**36,498.6**	**16,023.8**	**6,833.7**
Total liabilities	**49,225.0**	**47,059.7**	**22,069.9**	**7,663.3**
Total equity and liabilities	**81,287.3**	**76,119.2**	**34,758.5**	**14,826.7**

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