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Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To
The Members of SFC Environmental Technologies Limited
Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of SFC Environmental Technologies Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2026, the Standalone Statement of Profit and Loss including other comprehensive income, Standalone statement of changes in equity and the Standalone Statement of Cash Flows for the year then ended and notes to standalone financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its Profit (including other Comprehensive Income), its Changes in Equity and its cash flow for the year ended on that date.

Basis for Opinion

3. We conducted our audit of Standalone Financial Statements in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Information other than the Standalone Financial Statements and Auditor's Report Thereon ("Other Information")

4. The Company's Board of Directors is responsible for other information. The other information comprises Board's Report including Annexures to Board's Report and such other disclosure

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related information but does not include the Standalone Financial Statements and our auditor's report thereon.

5. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

6. In connection with our audit of Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

7. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Responsibility of Management for the Standalone Financial Statements

8. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the IND AS specified under Section 133 of the Act.

9. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection of appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit log; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

10. In preparing the Standalone financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless board of directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

11. The company's board of directors is also responsible for overseeing the Company's financial reporting process.

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Auditor's Responsibilities for the Audit of the Standalone Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

13. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



(e) Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

Report on Other Legal & Regulatory Requirements

16. As required by the Companies (Auditor's Report) Order 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraph 3 and 4 of the Order to the extent applicable.

17. As required by the section 143 (3) of the Act, we report that:

a. We have sought and obtained all the information and explanations, which to the best of our knowledge and beliefs were necessary for the purpose of our audit and have found them to be satisfactory.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books. The Company maintains backup of books of account and other relevant records in electronic mode on servers physically located in India at periodic intervals; however, such backups are not taken on a daily basis.

c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and Standalone Statement of Cash flows dealt with by this report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone Financial Statements comply with the IND AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.

e. On the basis of written representations received from the directors as on March 31, 2026 and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026, from being appointed as a director in terms of sub-section (2) of

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section 164 of the Act.

f. The modification relating to the maintenance of accounts and other matters connected there with are as stated in the paragraph 17(b) above on reporting under Section 143(3)(b) and paragraph 17 (i) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and our report expresses an unmodified opinion on the adequacy & operating effectiveness of the Company's internal financial controls over financial reporting.

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act and the rules thereunder

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact its financial position as at March 31, 2026. (Refer Note 46 of Standalone Financial Statement)

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv.

   (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or

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provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

vi. Based on our examination, which included test checks, the Company for year ended March 31, 2026 has used accounting software (Tally Prime Edit Log) for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year. However, feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes to accounting software. 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 and the audit trail has been preserved by the Company as per statutory requirement for record retention.

For **G B C A & Associates LLP**
Chartered Accountants
Firm Registration No.: 103142W / W100292



Yogesh Amal
Partner
Membership No.: 111636
UDIN: 26111636KWHUGN9990

Place: Mumbai
Date: August 13, 2026

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 16 under the heading of "Report on Other Legal & Regulatory Requirements' of our report to the Members of SFC Environmental Technologies Limited of even date)

i.

(a)

(A) As per the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Right-of-use assets, Investment Properties and Capital work-in-progress.

(B) As per the information and explanations given to us, the Company does not have any intangible assets. Accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has a program of physical verification of its Property, Plant and Equipment so to cover all the items in a phased manner over a period of 2 years which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the program, certain assets were due for verification during the year and were physically verified by the management during the year. No material discrepancies were found on such verification.

(c) According to the information and explanations given to us, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and Investment Property during the year.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

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ii.

(a) According to the information and explanations given to us, the inventories except for goods in transit were physically verified at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is reasonable. According to information and explanation given to us, no discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventory when compared with books of accounts.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹5 crore during the year, in aggregate from banks and financial institutions on the basis of security of current assets of the Company. The difference between the quarterly returns or statements filed by the Company with the banks and financial institutions and the books of account of the Company is on account of explainable items and all such differences are as follows:

(Rs. in Millions)

Name of Bank/ Financial Institution	Quarter	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference
ICICI Bank, Kotak Bank & Axis Bank	Jun-25	Debtors	1,916.94	2,013.57	-96.63
		Creditors	280.19	465.55	-185.36
		Closing Stock	770.22	621.37	148.84
	Sep-25	Debtors	1,548.42	1,812.98	-264.56
		Creditors	218.53	209.14	9.39
		Closing Stock	860.73	654.47	206.27
	Dec-25	Debtors	2,332.57	2,429.91	-97.34
		Creditors	390.33	391.39	-1.07
		Closing Stock	833.18	643.88	189.29
	Mar-26	Debtors	4,312.34	4,559.93	-247.59
		Creditors	1,122.02	1,115.95	6.07
		Closing Stock	777.98	681.90	96.08

iii.

According to the information and explanations given to us, the Company has made investments in, provided guarantee or security, granted loans and advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships, during the year, in respect of which:

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(a) According to the information and explanations given to us, during the year, the Company has provided the following loans or advances in the nature of loans or stood guarantee, or provided security to other entities during the year.

(Rs. in Millions)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- **Subsidiaries**	2,450.00	-	1,560.81	-
- **Joint Ventures**	-	-	-	-
- **Associates**	-	-	-	-
- **Others**	-	-	0.55	-
Balance outstanding as at balance sheet date in respect of above cases				
- **Subsidiaries**	3,104.10	-	1,612.32	-
- **Joint Ventures**	-	-	-	-
- **Associates**	-	-	-	-
- **Others**	-	-	6.10	-

(b) In our opinion and according to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees are prima facie not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, 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.

(d) According to the information and explanations given to us and based on the audit procedures performed by us, there is no amount overdue of loans and advances in the nature of loans granted by the Company. Accordingly, reporting under clause 3(iii)(d) of the Order is not applicable.



(e) According to the information and explanations given to us and based on the audit procedures performed by us, no loans or advances in the nature of loan granted which has fallen due during the year, have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has granted following loans and advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(Rs. in Millions)

Parties	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
Repayable on Demand (A)	1,806.25	-	1,612.32
Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	**1,806.25**	**-**	**1,612.32**
Percentage of loans/ advances in nature of loans to the total loans	**100%**	**-**	**89.26%**

iv. According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to loans and advances granted, guarantees and securities provided and investments made by the Company during the year.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Sections 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, reporting under clause 3(v) of the Order is not applicable.

vi. According to the information and explanations given to us, the maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained by the Company. We have, however, not made a detailed

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examination of the cost records with a view to determine whether they are accurate or complete.

vii.

(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 March 31, 2026 for a period of more than six months from the date they became payable.

(b) 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.

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

ix.

(a) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.

(d) In our opinion and according to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that funds raised on short-term basis have, prima facie, have not been used during the year for long-term purposes by the

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Company.

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Companies Act, 2013. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies as defined in Companies Act 2013. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable.

x.

(a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.

xi.

(a) To the best of our knowledge and based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in SA's, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) No report under sub-section (12) of Section 143 of the Act has been filed by us in Form ADT 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, reporting under clause (xii) of the Order is not applicable.

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xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone Financial Statements as required by the applicable INDAS.

xiv.

(a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Act, are not applicable to the Company. Accordingly, reporting under clause (xv) of the Order is not applicable.

xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

xvii. The Company has not incurred any cash loss during the financial year ended on that date and immediately preceding financial years. Accordingly, reporting under clause (xvii) of the Order is not applicable.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause (xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



xx. In our opinion and according to the information and explanations given to us, there are no unspent CSR amounts for the year requiring a transfer to a fund specified in Schedule VII of the Act or special account in compliance with the provision of sub-section (6) of Section 135 of the Act. Accordingly, reporting under clause (xx) of the Order is not applicable.

For **G B C A & Associates LLP**
Chartered Accountants
Firm Registration No.: 103142W / W100292



Yogesh Amal
Partner
Membership No.: 111636
UDIN: 26111636KWHUGN9990

Place: Mumbai
Date: August 13, 2026

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 17 (g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SFC Environmental Technologies Limited of even date)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the Internal Financial Controls with reference to Standalone Financial Statements of SFC Environmental Technologies Limited ("the Company") for the year ended March 31, 2026, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, commensurate to the size and nature of the business, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively for the period ended March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management's Responsibility for Internal Financials Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and SA's issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the

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Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Commensurate to the size and nature of the business, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the standalone financial statements.



Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

For **G B C A & Associates LLP**
Chartered Accountants
Firm Registration No.: 103142W / W100292



Yogesh Amal
Partner
Membership No.: 111636
UDIN: 26111636KWHUGN9990

Place: Mumbai
Date: August 13, 2026

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

STANDALONE BALANCE SHEET AS AT MARCH 31, 2026

CIN : U37003MH2005PLC152235

(Currency: Indian Rupees in Millions)

	Particulars	Notes	As at March 31, 2026	As at March 31, 2025
	ASSETS			
1	**Non-current assets**			
(a)	Property, plant and equipment	5	470.19	502.30
(b)	Right-of-use asset	6	462.55	521.43
(c)	Capital work-in-progress	7	20.82	3.09
(d)	Investment Property	8	58.89	71.04
(e)	Financial assets			
	(i) Investments	9	1,282.20	825.22
	(ii) Other financial assets	10	71.97	114.67
(f)	Deferred tax assets (Net)	43	59.00	35.66
(g)	Income tax assets (Net)	11	17.45	6.37
(h)	Other non - current assets	12	66.25	3.55
	Total non-current assets		**2,509.33**	**2,083.32**
2	**Current assets**			
(a)	Inventories	13	777.98	637.21
(b)	Financial assets			
	(i) Trade receivables	14	4,312.34	3,404.60
	(ii) Cash and cash equivalents	15	176.32	273.06
	(iii) Bank balances other than (ii) above	16	848.33	813.77
	(iv) Loans	17	1,806.25	710.02
	(v) Other Financial Asset	18	56.34	57.47
(c)	Other current assets	19	338.33	182.92
	Total current assets		**8,315.88**	**6,079.05**
	Total assets		**10,825.21**	**8,162.38**
	EQUITY AND LIABILITIES			
	Equity			
(a)	Equity share capital	20	186.82	186.82
(b)	Other equity	21	7,266.46	5,923.41
	Total equity		**7,453.28**	**6,110.23**
	Liabilities			
1	**Non-current liabilities**			
(a)	Financial liabilities			
	(i) Borrowings	22	47.52	61.77
	(ii) Lease liabilities	23	400.58	444.95
(b)	Provisions	24	6.42	1.58
	Total non-current liabilities		**454.52**	**508.30**

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

STANDALONE BALANCE SHEET AS AT MARCH 31, 2026

CIN : U37003MH2005PLC152235

(Currency: Indian Rupees in Millions)

	Particulars	Notes	As at March 31, 2026	As at March 31, 2025
2	**Current liabilities**			
(a)	Financial liabilities			
	(i) Borrowings	25	1,239.57	134.23
	(ii) Lease liabilities	26	44.37	41.35
	(iii) Trade payables	27		
	Total outstanding dues of micro and small enterprises		71.14	157.15
	creditors other than micro and small enterprises		1,057.64	503.66
	(iv) Other financial liabilities	28	93.24	243.49
(b)	Other current liabilities	29	391.88	415.15
(c)	Provisions	30	0.22	-
(c)	Current tax liabilities (net)	31	19.34	48.82
	Total current liabilities		**2,917.41**	**1,543.84**
	Total liabilities		**3,371.93**	**2,052.15**
	Total equity and liabilities		**10,825.21**	**8,162.38**

The accompanying notes are an integral part of the standalone financial statements.
As per our report of even date attached

For G B C A & Associates LLP
Chartered Accountants
FRN: 103142W / W100292

Yogesh Amal
Partner
Membership Number: 111636
Mumbai
Date: 13 AUG 2026

For and on behalf of Board of Directors
SFC Environmental Technologies Limited
(Formerly known as SFC Environmental Technologies Private Limited)

Sandeep Sudhakar Asolkar
Chairman & Managing Director
DIN: 00097828
Place: Navi Mumbai
Date: 13 AUG 2026

Sarvesh Kumar Garg
Executive Director
DIN: 06873116
Place: Navi Mumbai
Date: 13 AUG 2026

Mandar Dinkar Desai
Chief Executive Officer

Place: Navi Mumbai
Date: 13 AUG 2026

Amit Anil Sawant
Chief Financial Officer

Place: Navi Mumbai
Date: 13 AUG 2026

Shweta Deshpande
Company Secretary
Membership No.: A-67764
Place: Navi Mumbai
Date: 13 AUG 2026

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

CIN : U37003MH2005PLC152235

(Currency: Indian Rupees in Millions)

	Particulars	Notes	Year Ended March 31, 2026	Year Ended March 31, 2025
	Income			
I	Revenue from operations	32	5,588.50	4,743.96
II	Other income	33	196.37	309.43
III	Impairment gain on financial assets	34	-	-
IV	**Total income (I+II+III)**		**5,784.87**	**5,053.39**
	Expenses			
	Purchases of Goods and Services	35	2,236.75	1,876.08
	Cost of Material Consumed	36	528.97	334.62
	Changes in inventories of work-in-progress	37	(78.69)	(7.25)
	Employee benefits expense	38	504.24	445.60
	Finance costs	39	90.81	70.37
	Depreciation and amortization expense	40	185.31	85.72
	Impairment loss on financial assets	41	4.40	3.80
	Other expenses	42	508.91	489.92
V	**Total expenses**		**3,980.69**	**3,298.86**
VI	**Profit before tax (IV-V)**		1,804.18	1,754.52
	Tax expense			
	Current tax	43	486.12	459.51
	Deferred tax	43	(23.34)	(0.73)
VII	**Total tax expense**		**462.79**	**458.78**
VIII	**Profit for the year (VI-VII)**		**1,341.39**	**1,295.74**
a)	***Items that will not be reclassified to profit or loss***			
i)	Re-measurement loss on defined benefit liabilities		2.21	(4.56)
	Income tax relating to items that will not be reclassified to profit or loss		(0.56)	1.15
IX	**Other comprehensive income for the year, net of tax**		1.65	(3.41)
X	**Total comprehensive income for the year (VIII+IX)**		**1,343.04**	**1,292.33**
	Earnings per share face value of ₹2 each fully paid up	44		
	Basic earnings per share (₹)		14.36	13.87
	Diluted earnings per share (₹)		14.36	13.87

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For G B C A & Associates LLP
Chartered Accountants
FRN: 103142W / W100292

Yogesh Amal
Partner
Membership Number: 111636
Mumbai
Date: 13 AUG 2026

For and on behalf of the Board of Directors of
SFC Environmental Technologies Limited
(Formerly known as SFC Environmental Technologies Private Limited)

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DIN: 00097828
Place: Navi Mumbai
Date: 13 AUG 2026

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DIN: 06873116
Place: Navi Mumbai
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Chief Executive Officer
Place: Navi Mumbai
Date: 13 AUG 2026

Amit Anil Sawant
Chief Financial Officer
Place: Navi Mumbai
Date: 13 AUG 2026

Shweta Deshpande
Company Secretary
Membership No.: A-67764
Place: Navi Mumbai
Date: 13 AUG 2026

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

STANDALONE STATEMENT OF CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

CIN : U37003MH2005PLC152235

(Currency: Indian Rupees in Millions)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Cash flows from operating activities		
Profit for the year before tax	1,804.18	1,754.52
Adjustments for :		
Depreciation and amortization expenses	185.31	85.72
Finance costs	71.94	65.29
Interest income	(146.05)	(179.04)
Impairment loss/ (gain) on trade receivables arising from contracts with customer	4.40	3.80
Bad Debts written off	-	-
Unrealized foreign exchange gain	(27.83)	4.07
Net (gain)/ loss on Fair Valuation of Mutual Fund	-	-
Net (gain) of sale of Property, Plant and Equipment	(15.27)	(56.25)
Net (gain) of disposal of ROU Asset	(0.22)	(0.26)
Net (gain) on sale of Investment Property	(5.71)	(39.61)
Operating profit before working capital changes	**1,870.75**	**1,638.24**
Working capital adjustments :		
(Decrease)/ increase in other current liabilities	(23.26)	220.45
(Decrease)/ increase in trade payables	497.46	(320.06)
(Decrease)/ increase in other financial liabilities	(160.56)	113.28
(Decrease)/ increase in provisions	5.06	1.98
Decrease/ (increase) in inventories	(140.77)	(68.87)
Decrease/ (increase) in trade receivables	(912.14)	(595.62)
Decrease/ (increase) in other financial assets	43.83	(67.70)
Decrease/ (increase) in other current assets	(155.41)	(104.69)
Decrease/ (increase) in non-current assets	(62.71)	0.87
Cash generated from operations	**962.26**	**817.88**
Income taxes paid (net of refunds)	(526.68)	(507.50)
Net cash from operating activities (A)	**435.58**	**310.38**
Cash flows from investing activities		
(Payment)/Proceeds from (purchase)/Sale of property, plant and equipment	(84.89)	(83.41)
Proceeds from sale of Investment Property	14.64	107.28
Investment in Subsidiary	(334.48)	(185.13)
Investment in Associates	(122.50)	(40.43)
Purchase of Investments	-	-
(Purchase)/ Proceeds from bank deposits	26.07	1,030.57
Loans given	(1,010.80)	183.45
Net cash generated from/(used in) investing activities (B)	**(1,511.96)**	**1,012.33**
Cash flows from financing activities		
Repayment of lease liabilities	(39.51)	(54.14)
Dividend paid	-	(311.37)
Proceeds from Borrowing - Non Current	(14.25)	(14.23)
Proceeds from Borrowing - Current	1,105.34	(605.91)
Interest paid on bank overdraft	(26.61)	(25.66)
Interest paid on term loan	(5.56)	(7.41)
Interest paid on lease liabilities	(39.77)	(32.22)
Net cash flow from/(used in) financing activities (C)	**979.64**	**(1,050.94)**
Net increase(decrease) in cash and cash equivalents (A)+(B)+(C)	**(96.74)**	**271.77**
Cash and cash equivalent at the beginning of the year	273.06	1.28
Cash and cash equivalents at the end of the year (refer note 15)	**176.32**	**273.06**

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

STANDALONE STATEMENT OF CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

CIN : U37003MH2005PLC152235

(Currency: Indian Rupees in Millions)

Components of Cash and cash equivalents -		
Cash in hand	-	-
Foreign Currency in Hand	0.72	0.46
Balances with banks on current account	33.58	92.50
Cheque in hand	140.75	150.00
Deposit with maturity of less than 3 mnths	1.26	30.10
Total cash and cash equivalents (refer note 15)	**176.32**	**273.06**

Change in Liability Arising from Financing Activities

Particular	April 01, 2025	Net Cashflow	March 31, 2026
Borrowings - Non-current (Refer Note 22)	61.77	(14.25)	47.52
Borrowings - Current (Refer Note 25)	134.23	1,105.34	1,239.57
Total	**196.00**	**1,091.09**	**1,287.09**

Particular	April 01, 2024	Net Cashflow	March 31, 2025
Borrowings - Non-current (Refer Note 22)	76.00	(14.23)	61.77
Borrowings - Current (Refer Note 25)	740.14	(605.91)	134.23
Total	**816.14**	**(620.14)**	**196.00**

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For G B C A & Associates LLP

Chartered Accountants

FRN: 103142W / W100292

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

Yogesh Amal
Partner
Membership Number: 111636
Mumbai
Date: 13 AUG 2026

For and on behalf of Board of Directors

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Chief Financial Officer

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Company Secretary
Membership No.: A-67764
Place: Navi Mumbai
Date: 13 AUG 2026

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

CIN : U37003MH2005PLC152235

(Currency: Indian Rupees in Millions)

(A) Equity share capital

	No. of shares	Amount	No. of shares	Amount
Balance as at April 01, 2025			9,34,11,270	186.82
Changes in equity share capital during the period	-	-	-	-
Balance as at March 31, 2026			9,34,11,270	186.82
Balance as at April 01, 2024			62,27,418	62.27
Changes in equity share capital during the year				
Split of Share	2,49,09,672	-		
Bonus Issue of Share	6,22,74,180	124.55	8,71,83,852	124.55
Balance as at March 31, 2025			9,34,11,270	186.82

(B) Other equity

Particulars	Reserve and surplus				Total
	Retained Earnings	General Reserves	Securities Premium	Other Comprehensive Income	
Balance as at April 01, 2025	5,934.38	-	-	(10.97)	5,923.41
Profit for the year	1,341.39	-	-	-	1,341.39
Utilised for issue of bonus shares	-	-	-	-	-
Re-measurement gain/(loss) of defined benefit plans (net of tax)	-	-	-	1.65	1.65
Total comprehensive income for the year	**7,275.77**	-	-	**(9.32)**	**7,266.46**
Transactions with owners of the company					-
Contributions and Distributions					-
- Dividends	-	-	-	-	-
Balance as at March 31, 2026	**7,275.77**	-	-	**(9.32)**	**7,266.46**

Particulars	Reserve and surplus				Total
	Retained Earnings	General Reserves	Securities Premium	Other Comprehensive Income	
Balance as at April 01, 2024	5,000.35	70.24	3.97	(7.56)	5,067.00
Profit for the year	1,295.74	-	-	-	1,295.74
Utilised for issue of bonus shares	(50.34)	(70.24)	(3.97)		(124.55)
Re-measurement gain/(loss) of defined benefit plans (net of tax)	-	-	-	(3.41)	(3.41)
Total comprehensive income for the year	**6,245.75**	-	-	**(10.97)**	**6,234.78**
Transactions with owners of the company					-
Contributions and Distributions					-
- Dividends	(311.37)	-	-	-	(311.37)
Balance as at March 31, 2025	**5,934.38**	-	-	**(10.97)**	**5,923.41**

As per our report of even date attached
For G B C A & Associates LLP
Chartered Accountants
FRN: 103142W / W100292

Yogesh Amal
Partner
Membership Number: 111636
Mumbai
Date: 13 AUG 2026

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

For and on behalf of Board of Directors
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Place: Navi Mumbai
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Shweta Deshpande
Company Secretary
Membership No.: A-67764
Place: Navi Mumbai
Date: 13 AUG 2026

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

1 Company Overview

SFC Environmental Technologies Private Limited is a 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 is an environmental technology company offering efficient technologies and comprehensive engineering solutions in the field of wastewater treatment ("WWT") and solid waste treatment ("SWT") (including agro-based biogas projects).

Material Accounting Policies

2 Basis for Preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

2.1 Statement of Compliance

The Company's financial statements 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. These financials statements have been approved by the Board of Directors at their meeting held on August 13, 2026 .

2.2 Basis of accounting and preparation and presentation of financial statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time

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 Company 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 Company 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.

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

2.3 Functional & Presentation Currency

The financial Statements are presented in Indian Rupees (INR) which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest Millions (INR 000,000), unless otherwise indicated.

2.4 Significant accounting judgements, estimates and assumption

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company 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 financial statements 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 Company'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 Company. 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 Company'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 Company 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 Company 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 Company 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 Company 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 Company 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.

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

(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 Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates.

(g) Impairment of non- financial assets

The Company 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 Company 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.

2.5 Classification of Assets and Liabilities into Current/Non-Current

The Operating Cycle of the Company is the time between the acquisitions of the assets for processing and their realisation in cash & cash equivalents. The company 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 Company 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.

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

3 Material accounting policies

The accounting policies set out below have been applied consistently to the periods presented in the Financials Statements.

3.1 Revenue from operations

Revenue from contracts with customers

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.

3.2 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:

- 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 Company 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.

Dividend Income

Dvidend Income is recognised when the Company's right to receive the amount has been established.

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3.3 Property, Plant & Equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company 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 Company'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 Company 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.

3.4 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.

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3.5 Leases

The company assesses whether a contract is or contains a lease, at inception of the contract. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessor

Leases for which the company is a lessor are classified as finance or operating leases. Leases in which the company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the company's net investment outstanding in respect of the lease. Subsequent to initial recognition, the company regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of Ind AS 109, recognizing an allowance for expected credit losses on the lease receivables. Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance).

Company as lessee

The company applies a single recognition and measurement approach for all leases, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. The company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. The lease term of company's ROU assets which comprises Land and Buildings and Vehicles varies from 2 to 10 years. If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test. The Company accounts for sale and lease back transaction, recognising right-of-use assets and lease liability, measured in the same way as other right of use assets and lease liability. Gain or loss on the sale transaction is recognised in statement of profit and loss.





Lease liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term and are not paid at the commencement date, discounted by using the rate implicit in the lease. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest (using the effective interest method) and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Most of the contracts that contains extension terms are on mutual agreement between both the parties and hence the potential future rentals cannot be assessed. Certain contracts where the extension terms are unilateral are with unrelated parties and hence there is no certainty about the extension being exercised. The company uses weighted average incremental borrowing rate for lease liabilities measurement

3.6 Financial instruments

i) Recognition and initial measurement

The Company 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.

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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 (refer note 49).

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 loss.

iii) Derecognition

a) Financial Assets

The Company 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 Company 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 Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

b) 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.

3.7 Impairment of assets

The carrying amounts of the Company'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.

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i) Non-derivative financial assets

In accordance with Ind AS 109, the Company 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 Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company 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 Company 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 Company 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 Company 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.

3.8 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.

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

3.9 Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company 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.

3.10 Employee benefits

Employee benefits include provident fund and gratuity fund.

(i) Defined Contribution Plan:

The Company's contributions towards provident fund is defined contribution scheme. The Compay'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.

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 Company's gratuity benefit scheme with Life Insurance Corporation of India is a defined benefit plan. The Company'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 Company, 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.





3.11 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 company'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 company 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.

3.12 Foreign currency transactions

Transactions in currencies other than the Company'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.





3.13 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.

3.14 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.

3.15 Dividend distribution to equity holders

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.16 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 Company 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.

3.17 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

i) New and amended standards adopted by Company

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025 and August 2025, MCA notified following key amendments effective for annual reporting periods beginning on or after April 1, 2025:

1. Lack of Exchangeability of currency (Amendments to Ind AS 21)
2. Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (Amendments to Ind AS 1)
3. Supplier Finance Arrangements (Amendments to Ind AS 7 and Ind AS 107)
4. International Tax Reform - Pillar Two Model Rules (Amendments to Ind AS 12)

The Company has reviewed the above new pronouncements and based on its evaluation has determined it does not have any significant impact on its financial statements wherever applicable as at and for the year ended 31st March 2026.

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

ii) Amendments applicable from next Financial Year

Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants:
This amendment also includes specific provisions that will take effect for reporting periods beginning on or after April 1, 2026 as outlined below:
Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.
However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans.
This amendment is required to be applied retrospectively in accordance with Ind AS 8.
The impact of the aforesaid amendment will be assessed and, where applicable, appropriately recognised in the financial statements upon the amendment becoming effective.

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

5 **Property, plant and equipment**

Description of Assets	Land	Building	Office Equipments	Vehicles	Furniture & Fixtures	Computers	Plant & Machinery	Total
Gross Block								
Balance as at April 01, 2025		287.13	62.47	146.11	100.72	41.70	15.36	653.48
Additions	8.02	9.92	12.92	19.99	25.05	23.81	7.37	107.09
Disposals	-	17.85	-	-	-	0.47	-	18.33
Balance as at March 31, 2026	**8.02**	**279.20**	**75.40**	**166.10**	**125.77**	**65.03**	**22.73**	**742.24**
Depreciation / Impairment								
Balance as at April 01, 2025	-	34.16	10.49	66.16	10.35	25.90	4.13	151.18
Charge for the year	-	19.91	27.15	27.21	28.75	18.18	3.64	124.85
Disposals	-	3.58	-	-	-	0.40	-	3.98
Balance as at March 31, 2026	-	**50.49**	**37.64**	**93.37**	**39.09**	**43.69**	**7.77**	**272.05**
Net Block								
Balance as at March 31, 2026	**8.02**	**228.71**	**37.76**	**72.73**	**86.68**	**21.35**	**14.96**	**470.19**

Description of Assets	Land	Building	Office Equipments	Vehicles	Furniture & Fixtures	Computers	Plant & Machinery	Total
Gross Block								
Balance as at April 01, 2024	45.08	298.02	13.94	108.14	23.68	29.29	10.50	528.64
Additions	-	26.91	48.53	38.48	77.04	12.52	4.86	208.34
Disposals	45.08	37.80	-	0.51	-	0.12	-	83.50
Balance as at March 31, 2025	-	**287.13**	**62.47**	**146.11**	**100.72**	**41.70**	**15.36**	**653.48**
Depreciation / Impairment								
Balance as at April 01, 2024	-	27.83	7.08	39.60	3.84	17.18	1.29	96.82
Charge for the year	-	11.94	3.41	26.89	6.51	8.81	2.84	60.39
Disposals	-	5.62	-	0.33	-	0.09	-	6.03
Balance as at March 31, 2025	-	**34.16**	**10.49**	**66.16**	**10.35**	**25.90**	**4.13**	**151.18**
Net Block								
Balance as at March 31, 2025	-	**252.97**	**51.99**	**79.95**	**90.37**	**15.80**	**11.23**	**502.30**

^ represents amount less than 0.01 million

Note:The Company has adopted Ind AS 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.

Additional Disclosure with respect to Property, Plant & Equipment

Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note 51.





6 Right-of-use asset

Right-of-Use Assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment.

Particular	Motor Vehicle	Building	Total
Gross Block			
Balance as at April 01, 2025	14.90	535.20	550.09
Additions	-	-	-
Deletions	-	11.69	11.69
Balance as at March 31, 2026	**14.90**	**523.50**	**538.40**
Accumulated Depreciation			
Balance as at April 01, 2025	1.24	27.43	28.67
Charge for the Period	1.86	55.39	57.25
Disposals	-	10.07	10.07
Balance as at March 31, 2026	**3.10**	**72.74**	**75.84**
Net Block			
Balance as at March 31, 2026	**11.79**	**450.76**	**462.55**

Particular	Motor Vehicle	Building	Total
Gross Block			
Balance as at April 01, 2024	-	87.64	87.64
Additions	14.90	462.31	477.20
Deletions	-	14.75	14.75
Balance as at March 31, 2025	**14.90**	**535.20**	**550.09**
Accumulated Depreciation			
Balance as at April 01, 2024	-	21.72	21.72
Charge for the year	1.24	17.99	19.23
Disposals	-	12.28	12.28
Balance as at March 31, 2025	**1.24**	**27.43**	**28.67**
Net Block			
Balance as at March 31, 2025	**13.66**	**507.77**	**521.43**

The Company has recognised Rs. 6.12 (in Millions) (March 31, 2025 : Rs. 1.35 (in Millions)) as rent expenses during the period which pertains to short term lease/ low value asset which was not recognised as part of asset.

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

7 Capital work-in-progress

	As at March 31, 2026	As at March 31, 2025
Opening balance	3.09	-
Add: Addition during the year	84.15	152.96
Less: Capitalisation/Adjustments during the year	(66.42)	(149.87)
Closing balance	**20.82**	**3.09**

Ageing schedule of capital work-in-progress as at March 31, 2026

Particulars	Ageing As at March 31, 2026				
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Projects in Progress	20.82	-	-	-	20.82
Projects temporarily suspended	-	-	-	-	-
Total	**20.82**	-	-	-	20.82

There is no cost or time overrun in Capital Work-in-Progress compared to its original plan.

Ageing schedule of capital work-in-progress as at March 31, 2025

Particulars	Ageing As at March 31, 2025				
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Projects in Progress	3.09	-	-	-	3.09
Projects temporarily suspended	-	-	-	-	-
Total	**3.09**	-	-	-	**3.09**

There is no cost or time overrun in Capital Work-in-Progress compared to its original plan.

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

8 Investment property

Particular	Building	Total
Gross Block		
Balance as at April 01, 2025	88.22	88.22
Additions	-	-
Deletions	11.15	11.15
Balance as at March 31, 2026	**77.08**	**77.08**
Accumulated Depreciation		
Balance as at April 01, 2025	17.19	17.19
Additions	3.21	3.21
Deletions	2.22	2.22
Balance as at March 31, 2026	**18.18**	**18.18**
Net Block		
Balance as at March 31, 2026	**58.89**	**58.89**

Particular	Building	Total
Gross Block		
Balance as at April 01, 2024	174.46	174.46
Additions	0.78	0.78
Deletions	87.01	87.01
Balance as at March 31, 2025	**88.22**	**88.22**
Accumulated Depreciation		
Balance as at April 01, 2024	29.66	29.66
Additions	6.10	6.10
Deletions	18.57	18.57
Balance as at March 31, 2025	**17.19**	**17.19**
Net Block		
Balance as at March 31, 2025	**71.04**	**71.04**

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Rental Income	-	-
Direct Operating Expenses from Property that generated rental income	-	-
Direct Operating Expenses from Property that did not generated rental income	0.46	1.02

Contractual Obligation

There are no restriction on realisability of investment property or remittance of income or proceeds of disposal. Also, there are no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements at the year end.

Details with respect to fair valuation of Investment property

Aggregate amount of investment property at fair value *

Particulars	Amount
As at March 31, 2026	74.82
As at March 31, 2025	96.26

* Fair valuation has been determined on the basis of valuation carried by independent valuer and government rates, market research, market trend and comparable values as considered appropriate. The fair value for investment property has been categorised as level 2 based on the techniques used and inputs applied.

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

9 Non-current assets - Financial assets - Investments	As at March 31, 2026	As at March 31, 2025
Unquoted Investments		
Investment stated at Cost		
Investment in Equity Instruments		
(a) Subsidiary companies	1,082.03	747.55
(b) Associate companies	200.17	77.67
Investment stated at Fair Value through profit and loss		
Investment in Mutual Funds (Listed Equity oriented Funds)	-	-
	1,282.20	**825.22**

Details of Non-current Assets - Financial Assets - Investments	As at March 31, 2026	As at March 31, 2025
Investments in fully paid equity instruments		
(a) Subsidiary companies:		
(i) Chavare Engineering Pvt. Ltd. 2,04,000 (March 31, 2025: 2,04,000) equity shares of Rs. 100 each fully paid-up	81.60	81.60
(ii) Fine Aeration Systems Pvt. Ltd. 51,000 (March 31, 2025: 51,000) equity shares of Rs. 10 each fully paid-up	0.51	0.51
(iii) Sustainyx Smart Solution Private Limited (Formerly known as Navitas Waste Treatment Private Limited) 10,000 (March 31, 2025: 10,000) equity shares of Rs. 10 each fully paid-up	0.10	0.10
(iv) SFC Umwelttechnik GmbH 8,75,000 (March 31, 2025: 7,17,000) equity shares of Euro 1 each fully paid-up	94.17	82.89
(v) Vasudha Waste Treatment Pvt. Ltd 10,00,000 (March 31, 2025: 10,00,000) equity shares of Rs. 10 each fully paid-up	10.50	10.50
(vi) Pentagen Biofules Pvt. Ltd 20,00,000 (March 31, 2025: 20,00,000) equity shares of Rs. 10 each fully paid-up	20.00	20.00
(vii) Hindustan Waste Treatment Pvt. Ltd 3,90,40,000 (March 31, 2025: 3,90,40,000) equity shares of Rs. 10 each fully paid-up	551.95	551.95
(viii) IST- Anlagenbau GmbH 1,00,000 (March 31, 2025: NIL) equity shares of Euro 1 each fully paid-up	323.20	-
	1,082.03	**747.55**

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

(b) Associate companies		
(i) Turbomax India Pvt. Ltd.	200.17	77.67
2,00,16,990 (March 31, 2025: 77,66,990) equity shares of Rs. 10 each fully paid-up		
	200.17	**77.67**

Details of quoted / unquoted investments:	**As at March 31, 2026**	**As at March 31, 2025**
Aggregate book value of unquoted investments	1,282.20	825.22
Aggregate book value of quoted investments	-	-
Aggregate amount of impairment in value of Investments	-	-
Aggregate amount of unquoted investment at fair value	1,282.20	825.22

10 Non-current assets - Financial assets - Others

	As at March 31, 2026	**As at March 31, 2025**
Security deposits	28.67	29.23
Bank deposits with more than twelve months maturity *	43.29	85.44
	71.97	**114.67**

*Refer Note 16 for information about lien on fixed deposits and Note 51 for information about secured borrowings

11 Non-current assets - Income tax assets (net)

	As at March 31, 2026	**As at March 31, 2025**
Advance income tax (net of provisions)	17.45	6.37
	17.45	**6.37**

12 Non-current assets - Others

	As at March 31, 2026	**As at March 31, 2025**
(Unsecured, considered good)		
Capital advances	60.00	-
Prepaid expense	2.64	3.55
Net defined benefit asset - Gratuity (Refer note 46)	3.61	-
	66.25	**3.55**

13 Current assets - Inventories *

	As at March 31, 2026	**As at March 31, 2025**
(Valued at lower of cost and net realizable value)		
Raw materials	229.16	167.09
Stock-in-trade #	315.38	310.26
Work In Progress	21.08	4.45
Project Work In Progress	163.36	138.25
Finished goods	49.00	17.16
	777.98	**637.21**

* Refer Note 51 for details of hypothecation of the inventory for Secured Borrowings
Includes in-transit Goods

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

14 Current assets - Financial assets - Trade receivables

	As at March 31, 2026	As at March 31, 2025
Secured, considered good	-	-
Unsecured, considered good	4,303.01	3,391.15
Receivables which have significant increase in credit risk	37.71	37.71
Receivables which are credit impaired	72.75	72.48
	4,413.47	3,501.33
Less: Allowance for expected credit loss	(101.13)	(96.73)
Net trade receivables	**4,312.34**	**3,404.60**

Refer note 48 for information about receivables from related party.

Ageing schedule of trade receivables as at March 31, 2026

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	-	3,300.82	359.24	99.66	439.61	49.01	54.67	4,303.01
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	37.71	37.71
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	72.75	72.75
(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	-	-	-	(0.21)	(1.08)	(0.98)	(98.86)	(101.13)
Total	**-**	**3,300.82**	**359.24**	**99.45**	**438.53**	**48.03**	**66.27**	**4,312.34**

Ageing schedule of trade receivables as at March 31, 2025

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	-	1,090.76	1,937.76	131.99	140.33	45.89	44.42	3,391.15
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	37.71	37.71
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	72.48	72.48
(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	-	-	-	(0.26)	(0.68)	(0.92)	(94.87)	(96.73)
Total	**-**	**1,090.76**	**1,937.76**	**131.73**	**139.64**	**44.98**	**59.74**	**3,404.60**

Refer note 50 about information on credit risk and market risk of trade receivables.

Additional Disclosure with respect to payment terms:
Generally, Payment Term is 0 to 120 days
- Trade receivables does not include any amount receivable from director/s of the Company
- Refer Note 51 for details of hypothecation of the Trade Receivables for Secured Borrowings

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

15 Current assets - Financial assets - Cash & cash equivalents	As at March 31, 2026	As at March 31, 2025
Cash on Hand:		
- Cash on Hand	-	-
- Foreign Currency in Hand	0.72	0.46
Cheque in hand	140.75	150.00
Balances with banks:		
- In current account	33.58	92.50
- Deposit with original maturity of less than three months*	1.26	30.10
	176.32	**273.06**

*Refer Note 16 for information about lien on fixed deposits and Note 51 for information about secured borrowings

16 Current assets - Financial assets - Other bank balances	As at March 31, 2026	As at March 31, 2025
Deposits with banks*	848.20	813.65
Ear marked bank balances - Dividend	0.03	0.02
Ear marked bank balances - Gratuity	0.11	0.10
	848.33	**813.77**

*Details of fixed deposit liens	As at March 31, 2026	As at March 31, 2025
- For Various Credit Facility with Financial Institution	859.61	880.76
- Fixed Deposit in lien with Trade Receivable	4.34	6.37
	863.95	**887.12**

Fixed deposits reflected under		
- More than 12 months maturity (Refer note 10)	43.29	85.44
- Original maturity less than 3 mnths (Refer note 15)	1.26	30.10
- Deposits with banks (Refer note 16)	848.20	813.65
Total Fixed Deposit	**892.76**	**929.18**

17 Current assets - Financial assets - Loans	As at March 31, 2026	As at March 31, 2025
(considered good, unless otherwise stated)		
Unsecured loans:		
- To Related Parties (Refer Note No. 47)	1,612.32	529.96
- To employees	1.73	2.34
- To others *	192.20	177.72
	1,806.25	**710.02**

* These loans are repayable at demand





18 Current assets - Financial assets - Others

	As at March 31, 2026	As at March 31, 2025
(considered good, unless otherwise stated)		
Earnest money deposits	18.46	45.64
Security deposits	21.13	1.05
Interest accrued but not due	2.26	-
Interest receivable on loan given	1.37	-
Other Financial Asset	13.12	10.78
	56.34	**57.47**

19 Current Assets - Other current assets

	As at March 31, 2026	As at March 31, 2025
(considered good, unless otherwise stated)		
Balance with government authorities	31.65	17.52
Advance to suppliers	79.87	73.70
Advance to employees	1.23	1.11
Prepaid expenses	216.87	78.40
Export incentives receivable	0.03	-
Other assets - Financial Guarantee	8.67	12.20
	338.33	**182.92**

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

20 Equity share capital

	As at March 31, 2026	As at March 31, 2025
Authorized*		
12,50,00,000 (March 31.2025: 12,50,00,000) equity shares of Rs. 2 each	250.00	250.00
	250.00	**250.00**
Issued, subscribed and paid up		
9,34,11,270 (March 31, 2025: 9,34,11,270) equity shares of Rs. 2 each fully paid up	186.82	186.82
	186.82	**186.82**

*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.

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	9,34,11,270	187	62,27,418	62.27
Add: Increase in shares on account of split	-	-	2,49,09,672	-
Add: Issuance of bonus shares*	-	-	6,22,74,180	124.55
Add: Issuance and allotment of shares	-	-	-	-
Less: Cancellation of shares	-	-	-	-
Outstanding at the end of the year	**9,34,11,270.00**	**186.82**	**9,34,11,270.00**	**186.82**

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 and
- 62,274,180 Equity Shares of ₹2 each were allotted 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). The said bonus shares rank pari passu in all respects with the existing equity shares of the Company, including dividend. As a result of the bonus issue, the paid-up capital of the Company increased to Rs. 186.82 million from Rs. 62.27 million. The paid-up capital on account of bonus issue of Rs. 124.55 million has been appropriated from retained earnings, Rs. 70.24 million has been appropriated from general reserves and Rs. 3.97 million has been appropriated from securities premium.





(b) Particulars of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Mr. Sandeep Asolkar*	3,15,85,470	33.81%	3,15,85,470	33.81%
Mr. Saket Dhandoriya	84,34,125	9.03%	84,34,125	9.03%
Mrs. Jaya Chandrakant Gogri*	57,49,350	6.15%	57,49,350	6.15%
Mr. Sarvesh Garg	55,27,215	5.92%	55,27,215	5.92%
Asolkar Tradecraft Private Limited	49,78,320	5.33%	49,78,320	5.33%
	5,62,74,480	**60.24%**	**5,62,74,480**	**60.24%**

** including joint holding (as first named shareholder)*

(c) Shares held by promoters in the company

Name of the Promoter	As at March 31, 2026		As at March 31, 2025		% Change
	Number of shares	% of holding in the class	Number of shares	% of holding in the class	
Mr. Sandeep Asolkar*	3,15,85,470	33.81%	3,15,85,470	33.81%	-
Mr. Saket Dhandoriya	84,34,125	9.03%	84,34,125	9.03%	-
Promoter Group					
Asolkar Tradecraft Private Limited	49,78,320	5.33%	49,78,320	5.33%	-
Bhushan Raju Naik	13,500	0.01%	-	0.00%	0.01%
	4,50,11,415	**48.19%**	**4,49,97,915**	**48.17%**	**0.01%**

* it includes 1,80,85,470 Equity Share as at March 31, 2026 and March 31, 2025; 12,05,698 Equity shares held by Mr. Sandeep Asolkar jointly with Mrs. Priya Sandeep Asolkar.

(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 March 31, 2026 and March 31, 2025. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

(e) Aggregate number and class of shares allotted as fully paid-up pursuant to bonus issue: 6,22,74,180 Equity Shares of ₹2 each bonus shares issued on 5 December 2024

(f) Aggregate number and class of shares bought back : Nil

(g) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash : Nil

(h) The Company does not have any securities outstanding as at March 31, 2026 and March 31, 2025 which are convertible into equity/preference shares.

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

21 Other equity

A Other equity

	As at March 31, 2026	As at March 31, 2025
Retained earnings	7,275.77	5,934.38
General Reserves	-	-
Securities Premium	-	-
Total Reserve and Surplus	**7,275.77**	**5,934.38**

Movement in Other Equity

Retained earnings

	As at March 31, 2026	As at March 31, 2025
Opening balance	5,934.38	5,000.35
Add: Profit for the year	1,341.39	1,295.74
Less: utilised for issue of bonus shares	-	(50.34)
Less: Dividend Paid (Refer Note No. 58)	-	(311.37)
Closing balance	**7,275.77**	**5,934.38**

Retained earnings:

Retained earnings are the profit that the company has earned till date. During the year ended March 31, 2025, retained earnings has been utilised for the purpose of issuing bonus shares.

General Reserves

	As at March 31, 2026	As at March 31, 2025
Opening balance	-	70.24
Less: utilised for issue of bonus shares	-	(70.24)
Closing balance	-	-

General Reserve :

The Company 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 company. During the year ended March 31, 2025, general reserves has been utilised for the purpose of issuing bonus shares.

Securities Premium

	As at March 31, 2026	As at March 31, 2025
Opening balance	-	3.97
Less: utilised for issue of bonus shares	-	(3.97)
Closing balance	-	-

Securities Premium :

Securities premium includes the difference between the face value of the equity shares and the consideration received in respect of shares issued. During the year ended March 31, 2025, securities premium has been utilised for the purpose of issuing bonus shares.

B Movement in Other Comprehensive Income

	As at March 31, 2026	As at March 31, 2025
Opening balance	(10.97)	(7.56)
Add: Re-measurement loss on defined benefit liabilities (net of tax)	1.65	(3.41)
Closing balance	**(9.32)**	**(10.97)**

Total other equity	**7,266.46**	**5,923.41**

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

22 Non-current liabilities - Financial liabilities - Borrowing

	As at March 31, 2026	As at March 31, 2025
Secured borrowings (Refer note 51)		
- Term Loan	47.52	61.77
	47.52	**61.77**

23 Non-current liabilities - Financial liabilities - Leases

	As at March 31, 2026	As at March 31, 2025
Long term maturities of lease obligations (Refer note 52)	400.58	444.95
	400.58	**444.95**

24 Non-current liabilities - Provisions

	As at March 31, 2026	As at March 31, 2025
Net defined benefit liability - Gratuity (Refer note 46)	-	1.58
Net defined benefit liability - Leave Encashment (Refer note 46)	6.42	-
	6.42	**1.58**

25 Current liabilities - Financial liabilities - Borrowings

	As at March 31, 2026	As at March 31, 2025
Bank overdraft*	590.00	120.00
Current Maturities of Long term borrowing (Refer note 22)	14.23	14.23
Bills discounting # (Refer note51)	635.34	-
	1,239.57	**134.23**

*Note 1: Fund based working capital facilities from banks carry interest ranging from 7.25% to 9.55% per annum (31 March 2025: 7.70% to 9.85%p.a.)
Note 2: Term facilities from banks carry interest ranging from 7.50% to 8.50% per annum (March 31 2025: 8.75% to 8.75% p.a.)

Bill discounted under letter of credit with usance period of upto 180 days and bill discounted under RXIL with issuance period upto 90 days

26 Current liabilities - Financial liabilities - Leases

	As at March 31, 2026	As at March 31, 2025
Lease obligations (Refer note 52)	44.37	41.35
	44.37	**41.35**

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

27 Current liabilities - Financial liabilities - Trade payables

	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro and small enterprises	71.14	157.15
Total outstanding dues of creditors other than micro and small enterprises	1,057.64	503.66
	1,128.78	**660.81**

Refer note 48 for information about payable to related party.

The Company 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 March 31, 2026	As at March 31, 2025
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end*	71.14	160.83
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end*	11.43	0.10
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year*	54.74	9.12
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year		
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year		
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act*	11.33	0.06
Interest accrued and remaining unpaid at the end of accounting year		
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 ^		

^ represents value less than 0.01 million

** it include Principal and Interest amount due to Creditors for capital goods*

Ageing schedule for trade payables outstanding as at March 31, 2026:

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed:							
(i) MSME	-	-	64.11	7.03	-	-	71.14
(ii) Others	-	-	1,056.39	1.00	-	0.25	1,057.64
Disputed:							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**-**	**-**	**1,120.50**	**8.03**	**-**	**0.25**	**1,128.78**

Ageing schedule for trade payables outstanding as at March 31, 2025:

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed:							
(i) MSME	-	-	155.36	1.79	-	-	157.15
(ii) Others	-	-	503.41	-	-	0.25	503.66
Disputed:							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**-**	**-**	**658.77**	**1.79**	**-**	**0.25**	**660.81**

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

28 Current liabilities - Financial liabilities - Others

	As at March 31, 2026	As at March 31, 2025
Creditors for capital goods - Non MSME ^	10.31	0.00
Creditors for capital goods - MSME (Refer Note 27)	-	3.68
Creditors for expenses	73.77	59.54
Security Deposit	3.03	2.88
Dividend Payable	-	168.42
Director Sitting Fees Payable	0.68	0.53
Employee benefits payable	5.47	8.45
	93.24	**243.49**

^ represents value less than 0.01 million

29 Current liabilities - Others

	As at March 31, 2026	As at March 31, 2025
Statutory dues Payable*	299.07	284.76
GST	282.79	255.12
TDS	15.34	28.92
TCS	0.03	0.02
MLWF ^	-	-
Profession tax payable	0.04	0.04
Provident fund payable	0.87	0.67
Contract liabilities	25.29	26.27
Other Liability - Corporate Gaurantee	8.67	12.20
Book Overdraft	-	54.13
Advance for sale of assets	3.09	6.40
Provision for expenses	55.75	31.39
	391.88	**415.15**

* Statutory dues payable are in the nature of income tax deducted at source, tax collect at source, professional tax, goods and service tax and contribution to provident fund and employee state insurance corporation.

30 Current liabilities - Provisions

	As at March 31, 2026	As at March 31, 2025
Provision for gratuity (refer note 46)	-	-
Provision for leave encashment (refer note 46)	0.22	-
	0.22	**-**

31 Current liabilities - Current tax liabilities

	As at March 31, 2026	As at March 31, 2025
Provision for tax (net of taxes paid)	19.34	48.82
	19.34	**48.82**

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

32 Revenue from operations

	Year Ended March 31, 2026	Year Ended March 31, 2025
Revenue from contracts with customer		
Sale of goods	4,882.18	4,195.91
Sale of services	689.27	533.09
Total (A)	**5,571.45**	**4,728.99**
Other operating revenues		
Scrap sales	16.97	14.96
Export Benefits Earned	0.09	-
Total (B)	**17.05**	**14.96**
Total revenue from operations (A+B)	**5,588.50**	**4,743.96**

33 Other income

	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest income under the effective interest method on		
- loan to others	15.35	27.69
- loan given to related parties (Refer Note No. 47)	70.07	36.89
- term deposits	59.96	98.09
- security deposits	1.90	1.73
Interest Income from customers	0.67	16.37
Net gain/ (loss) on foreign currency transaction and translation	-	4.07
Net gain on sale of Property, Plant & Equipment	15.27	56.25
Net Gain on Termination of Lease	0.22	0.26
Net gain on sale of investment property	5.71	39.61
Insurance claim	0.03	5.20
Rent income	8.86	8.90
Dividend income	6.12	6.12
Miscellaneous income	12.21	8.25
Total other income	**196.37**	**309.43**

34 Impairment gain on financial assets

	Year Ended March 31, 2026	Year Ended March 31, 2025
Impairment gain on financial assets	-	-
Total impairment gain	**-**	**-**

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

35 Purchases of Goods and Services

	Year Ended March 31, 2026	Year Ended March 31, 2025
Purchase of goods and services	2,236.75	1,876.08
	2,236.75	**1,876.08**

36 Cost of material consumed:

	Year Ended March 31, 2026	Year Ended March 31, 2025
Cost of material consumed:		
- Opening stock of raw materials	167.09	105.47
- Add: Purchases of raw materials	591.05	396.24
- Less: Closing stock of raw materials	(229.16)	(167.09)
Total Cost of Material Consumed	**528.97**	**334.62**

37 Changes in inventories

	Year Ended March 31, 2026	Year Ended March 31, 2025
Inventories at the beginning of the year		
- Finished goods & Stock in trade	327.42	324.63
- Project Work-in-progress	138.25	138.25
- Work-in-progress	4.45	-
	470.13	462.88
Less: Inventories at the end of the year		
- Finished goods & Stock in trade	(364.38)	(327.42)
- Project Work-in-progress	(163.36)	(138.25)
- Work-in-progress	(21.08)	(4.45)
	(548.82)	(470.13)
Net decrease / (increase)	**(78.69)**	**(7.25)**

38 Employee benefits expense

	Year Ended March 31, 2026	Year Ended March 31, 2025
Salaries, wages and bonus	382.18	325.59
Contribution to provident and other funds (refer note 46)	26.89	22.30
Gratuity (refer note 46)	3.63	3.02
Leave Encashment Expenditure (refer note 46)	6.73	-
Directors' remuneration	61.91	57.60
Staff welfare expenses	22.90	37.09
Total employee benefits expense	**504.24**	**445.60**

39 Finance costs

	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest expense on financial liabilities, measured at amortized cost on		
- bank overdraft	26.61	25.66
- term loan	5.56	7.41
Other borrowing costs	18.87	5.08
Interest expense on lease liabilities	39.77	32.22
Total finance costs	**90.81**	**70.37**

40 Depreciation and amortization expense

	Year Ended March 31, 2026	Year Ended March 31, 2025
Depreciation on property, plant and equipment	124.85	60.39
Depreciation on right-of-use asset	57.25	19.23
Depreciation on Investment property	3.21	6.10
Total depreciation and amortization expense	**185.31**	**85.72**

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

41 Impairment losses on financial assets

	Year Ended March 31, 2026	Year Ended March 31, 2025
Impairment loss on trade receivables arising from contracts with customer	4.40	3.80
Total impairment loss	**4.40**	**3.80**

42 Other expenses

	Year Ended March 31, 2026	Year Ended March 31, 2025
Bank charges	1.56	0.78
Brokerage expenses	-	3.05
Commission	1.50	1.15
Computer expenses	0.50	0.48
Corporate Social Responsibility (Refer note 54)	32.04	27.67
Donation	0.31	0.90
Director Sitting Fees	0.75	0.59
Electricity expenses	12.25	4.12
Guest house expenses	0.36	0.48
Inspection charges	2.06	5.49
Interest & penalty on delay payment and filling	0.70	2.28
Insurance	7.64	7.64
Labour charges	4.70	1.13
Legal & professional fees	109.11	109.19
Lodging expenses	40.37	46.82
Marketing and Business Promotion	53.19	54.68
Miscellaneous expenses	5.78	22.20
Net (gain)/ loss on foreign currency transaction and translation	27.83	-
O & M expenses	38.50	25.00
Packing & forwarding expenses	0.89	0.38
Payment to auditors (Refer note 42.a)	2.94	2.19
Postage & courier	1.83	1.37
Printing & stationery expenses	2.93	2.45
Profession Tax- Director	0.02	0.01
Profession Tax- Company ^	0.00	0.00
Rates & taxes	3.68	15.42
Recruitment charges	0.43	0.23
Rent	6.12	1.35
Repair and maintenance	19.07	33.30
Security charges	2.82	3.64
Site expenses	9.11	5.82
Subscription expenses	9.67	4.53
Telephone & Internet charges	2.47	1.50
Transportation charges	59.73	52.50
Travelling & conveyance	44.98	48.12
Vehicle expenses	3.05	3.49
Total other expenses	**508.91**	**489.92**

^ represents value less than 0.01 million

42.a Payment to auditors

	Year Ended March 31, 2026	Year Ended March 31, 2025
As auditor:		
Statutory audit	2.46	2.19
In other capacity:		
Certifications	0.23	-
Out of Pocket Expenses	0.25	-
Total	**2.94**	**2.19**

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

43 Income tax

	Year Ended March 31, 2026	Year Ended March 31, 2025
(A) Current tax expense		
- Current tax charge	486.12	459.51
- Short / (excess) provision of income tax of earlier years	-	-
- Deferred tax charge / (income)	(23.34)	(0.73)
Income tax expense reported in the statement of profit or loss	**462.79**	**458.78**

	As at March 31, 2026	As at March 31, 2025
(B) Deferred tax relates to the following:		
Deferred tax assets		
On property, plant and equipment	13.42	-
On investment property	4.58	4.33
On lease arrangements as per Ind AS 116	-	-
On fair valuation of investment	-	-
On acquisition of Financial Assets	8.35	8.35
On gratuity provision and other disallowances	8.16	8.44
On expected credit loss for trade receivables	25.45	24.35
	59.97	**45.47**
Deferred tax liabilities		
On property, plant and equipment	-	4.71
On Financial Instruments	0.04	0.05
On lease arrangements as per Ind AS 116	0.93	5.05
On gratuity provision	-	-
	0.97	**9.81**
Deferred tax asset / liabilities (net)	**59.00**	**35.66**

	Year Ended March 31, 2026	Year Ended March 31, 2025
(C) Income tax expense charged to OCI		
Items that will not be reclassified to profit or loss		
Net loss / (gain) on remeasurements of defined benefit liability (asset)	(0.56)	1.15
Income tax charged to OCI	**(0.56)**	**1.15**

	Year Ended March 31, 2026	Year Ended March 31, 2025
(D) Reconciliation of effective tax rate		
Profit before tax from continuing operations	1,804.18	1,754.52
Tax using the Company's domestic tax rate	454.08	441.58
Tax effect of:		
- Non-deductible expenses	8.14	6.96
-Taxable at different rate	-	-
-Interest on late payment of taxes	-	-
Short / (excess) provision of income tax of earlier years	-	-
Others	23.91	10.97
Deferred tax impact	(23.34)	(0.73)
Income tax expense	**462.79**	**458.78**
Effective Tax Rate	**25.65**	**26.15**

Movement in deferred tax balances

For year ended March 31, 2026:

Particulars	Opening Balance	Recognized through Profit or Loss	Recognized in OCI	Closing Balance
Tax effect of items constituting deferred tax asset				
On property, plant and equipment	(4.71)	18.14	-	13.42
On investment property	4.33	0.25	-	4.58
On lease arrangements as per Ind AS 116	-	-	-	-
On acquisition of Financial Assets	8.35	0.00	-	8.35
On gratuity provision	8.44	(0.28)		8.16
On expected credit loss for trade receivables	24.35	1.11	-	25.45
	40.75	19.21	-	59.97
Tax effect of items constituting deferred tax liabilities				
On lease arrangements as per Ind AS 116	5.05	(4.12)		0.93
On Financial Instruments	0.05	(0.01)	-	0.04
	5.10	(4.13)	-	0.97
Net Deferred Tax Asset / (Liabilities)	**35.66**	**23.34**	**-**	**59.00**

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

For year ended March 31, 2025:

Particulars	Opening Balance	Recognized through Profit or Loss	Recognized in OCI	Closing Balance
Tax effect of items constituting deferred tax asset				
On investment property	7.46	(3.14)	-	4.33
On lease arrangements as per Ind AS 116		-	-	-
On acquisition of Financial Assets	6.44	1.92	-	8.35
On gratuity provision	(0.10)	8.54		8.44
On expected credit loss for trade receivables	23.39	0.96	-	24.35
	37.19	8.28	-	45.47
Tax effect of items constituting deferred tax liabilities				
On property, plant and equipment	7.59	(2.88)	-	4.71
On lease arrangements as per Ind AS 116	(5.39)	10.44		5.05
On Financial Instruments	0.06	(0.02)	-	0.05
	2.26	7.55	-	9.81
Net Deferred Tax Asset / (Liabilities)	**34.93**	**0.73**	**-**	**35.66**

The company offsets 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 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 year 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.

44 Earnings per share ("EPS")

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 years.

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 p be issued on conversion of all the dilutive potential equity shares into equity shares.

	Year Ended March 31, 2026	Year Ended March 31, 2025
Profit for the year for basic and diluted EPS (A)	1,341.39	1,295.74
Weighted average number of equity shares outstanding for calculating basic and diluted EPS (B)	9,34,11,270	9,34,11,270
Earnings per share (Rs.) - Basic (face value of Rs. 2 per share) (A/B)	14.36	13.87
Earnings per share (Rs.) - Diluted (face value of Rs. 2 per share) (A/B)	14.36	13.87

Pursuant to the issue of bonus shares and share split during the year ended March 31, 2025, the weighted average number of equity shares and earnings per share of the previous years has been accordingly re-stated.

45 Contingent liabilities and commitments

	Year Ended March 31, 2026	Year Ended March 31, 2025
I. Claims against the company not acknowledged as debts		
Corporate guarantees given for subsidiaries	3,104.10	841.10
Total Contingent Liabilities	**3,104.10**	**841.10**

II. Capital commitments

There are no capital commitments for the company as on March 31, 2026 and March 31, 2025.

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

46 Employee benefits

(I) Defined Contribution Plans

Employer's Contribution to Provident fund and ESIC

(a) During the year, the Company's contribution to Provident Fund and ESIC is recognized in the statement of Profit and loss under the head Employee Benefit Expense.

	Year Ended March 31, 2026	Year Ended March 31, 2025
- Employer's contribution to Provident Fund and other funds	26.89	22.30

(II) Defined benefit plans

(A) 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)	
	As at March 31, 2026	As at March 31, 2025
I) Reconciliation in present value of obligation (PVO)		
Defined benefit obligation:		
Liability at the beginning of the year	44.13	39.90
Interest cost	2.94	2.83
Current service cost	3.57	3.10
Past Service Cost	0.06	-
Benefits paid	(6.75)	(6.46)
Employer's contribution	-	-
Actuarial loss on obligations	-	-
Actuarial (gain) / loss - Financial Assumptions	(4.08)	1.19
Actuarial (gain) / loss - Experience	2.14	3.56
Liability at the end of the year	**42.01**	**44.13**

	As at March 31, 2026	As at March 31, 2025
II) Change in fair value of plan assets:		
Fair value of plan assets at the beginning of the year	42.55	40.30
Expected return on plan assets	2.95	2.91
Interest income plan assets	-	-
Employer contributions	6.62	5.60
Benefits paid	(6.75)	(6.46)
Actuarial gain / (loss) on plan assets	0.26	0.20
Funded status	**45.63**	**42.55**

	Year Ended March 31, 2026	Year Ended March 31, 2025
III) Expenses recognized in the Statement of Profit & Loss:		
Current service cost	3.57	3.10
Past service cost	0.06	-
Net interest costs	(0.01)	(0.08)
Other expenses / adjustments	-	
Components of defined benefit cost recognized in Profit and Loss	**3.63**	**3.02**

	Year Ended March 31, 2026	Year Ended March 31, 2025
IV) Expenses recognized in the Other Comprehensive Income:		
Actuarial (gain) / loss	(2.21)	4.56
	(2.21)	**4.56**

	As at March 31, 2026	As at March 31, 2025
V) Included in Other Comprehensive Income		
Amount recognized in OCI, beginning of the year	14.71	10.15
Remeasurements due to:		
Effect of change in financial assumptions	(4.08)	1.19
Effect of change in demographic assumptions	-	3.56
Effect of experience adjustments	2.14	-
Return on plan assets (excluding interest)	(0.26)	(0.20)
Total remeasurements recognized in OCI	(2.21)	4.56
Amount recognized in OCI, end of the year	**12.50**	**14.71**

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

VI) Net liability recognized in the Balance Sheet	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the end of the year	45.63	42.55
Liability at the year end	(42.01)	(44.13)
Amount recognized in the Balance Sheet	**3.61**	**(1.58)**

VII) Category of assets as at the end of the year:		
Insurer managed fund (%)	100.00	100.00
(Fund is managed by LIC as per Insurance Regulatory & Development Authority guidelines)		

VIII) Actuarial Assumptions	Year Ended March 31, 2026	Year Ended March 31, 2025
Discount rate (%)	7.83%	6.93%
Expected salary increase rate (%)	5.00%	5.00%
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	60 years	60 years

IX) Experience adjustments	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation	42.01	44.13	39.90	33.76	24.02
Fair value of the plan assets	45.63	42.55	40.30	22.56	22.46
(Surplus)/ Deficit in the plan	-3.61	1.58	(0.40)	11.20	1.56
Experience adjustments on:					
On plan liability	2.14	3.56	0.63	7.70	0.94
On plan asset	0.26	0.20	0.10	(0.30)	(0.15)





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.

	Year Ended March 31, 2026	Year Ended March 31, 2025
Increase in		
Discount rate (1% movement)	38.12	40.10
Future salary growth (1% movement)	44.67	46.88
Decrease in		
Discount rate (1% movement)	46.59	48.87
Future salary growth (1% movement)	39.45	41.64

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 year.

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	As at March 31, 2026	As at March 31, 2025
Year 1	1.48	3.38
Year 2	1.55	1.44
Year 3	8.95	3.32
Year 4	1.48	8.60
Year 5	1.55	1.33
Year 6-10	19.82	13.10
Above 10 years	80.02	72.98
Average Expected Future Working life (in years)	19.70	18.67

The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company 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.

(B) Every employee is entitled to the benefit equivalent to leave balance multiplied by Monthly Basic Salary divided by 30. All employee are entitled to 15 days leave with maximum accumulation limit of 60 days.

Particulars	Leave Encashment (Unfunded) As at March 31, 2026	Leave Encashment (Unfunded) As at March 31, 2025
I) Reconciliation in present value of obligation (PVO)		
Defined benefit obligation:		
Liability at the beginning of the period	-	-
Interest cost	-	-
Current service cost	67,30,907.00	-
Benefits paid	(90,721.00)	-
Actuarial (gain) / loss - Financial Assumptions	-	-
Actuarial (gain) / loss - Experience	-	-
Liability at the end of the period	**66,40,186.00**	
II) Expenses recognized in the Statement of Profit & Loss:		
Current service cost	67,30,907.00	-
Net interest costs	-	-
Components of defined benefit cost recognized in Profit and Loss	**67,30,907.00**	**-**
III) Expenses recognized in the Other Comprehensive Income:		
Actuarial (gain) / loss	-	-
	-	**-**

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

IV) Included in Other Comprehensive Income

	As at March 31, 2026	As at March 31, 2025
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

Liability at the period end	66,40,186.00	-
Fair value of plan assets at the end of the period	-	-
Amount recognized in the Balance Sheet	**66,40,186.00**	-

VI) Actuarial Assumptions

	As at March 31, 2026	As at March 31, 2025
Discount rate (%)	7.83%	0.00%
Expected rate of return on plan assets (%)		
Expected salary increase rate (%)	5.00%	0.00%
Mortality rate	IALM (2012-14) Ultimate	-
Retirement age	60 years	-

VII) Experience adjustments

	As at March 31, 2026	As at March 31, 2025
Present value of defined benefit obligation	66,40,186.00	-
Fair value of the plan assets	-	-
(Surplus)/ Deficit in the plan	-	-
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.

	As at March 31, 2026	As at March 31, 2025
Increase in		
Discount rate (1% movement)	60,10,853	-
Future salary growth (1% movement)	74,41,036	-
Decrease in		
Discount rate (1% movement)	73,91,645	-
Future salary growth (1% movement)	59,61,074	-

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	As at March 31, 2026	As at March 31, 2025
Year 1 ^	2,21,391	-
Year 2 ^	2,29,910	-
Year 3 ^	17,07,871	-
Year 4 ^	2,00,075	-
Year 5 ^	2,07,803	-
Year 6-10 ^	31,63,799	-
Above 10 years	1,41,26,616	-
Average Expected Future Working life (in years)		

^ It represents value less than 0.01 million

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

47 Related party disclosures

1 Names of related parties and nature of relationship:

Subsidiary Companies	Chavare Engineering Private Limited Sustainyx Smart Solution Private Limited (Formerly known as Navitas Waste Treatment Private Limited) Vasudha Waste Treatment Private Limited SFC Umwelttechnik Gmbh SFC Ekotechnika S.r.o Fine Aeration Systems Private Limited Hindustan Waste Treatment Private Limited Pentagen Biofules Private Limited Nanded Biofuels Private Limited IST- Anlagenbau GmbH
Subsidiary	Chavare Engineering & Endress Plus Hauser JV
Associates	Turbomax India Private Limited
Joint Ventures	Endress + Hauser & Chavare Engineering (JV) Private Limited
Key management personnels (KMP)	Sandeep Sudhakar Asolkar (Chairman & Managing Director) Sarvesh Kumar Garg (Executive Director) Saketchandrasingh Pratapsingh Dhandoriya (Executive Director (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 Prachiti Asolkar (Executive Director (w.e.f March 24, 2026)) Sandeep Sambhaji Parab (Director till November 06, 2023) Veera Venkata Satyanarayana Yannamani (Director till November 06, 2023)
Relatives of KMP	Prachiti Asolkar Shruti Mandar Desai Bhagyashree Anil Sawant Bhushan Raju Naik
Enterprise over which KMP have significant influence	Asolkar Tradecraft Pvt Ltd Konkan Mango Processing (Ratnagiri) Private Limited

47.1 Disclosure of transactions between the Company and Related parties and the status of outstanding balances as at period ending

(i) Transactions with related parties:	Year Ended March 31, 2026	Year Ended March 31, 2025
Revenue from Operations		
Sale of Goods		
Fine Aeration Systems Private Limited	211.17	73.69
Hindustan Waste Treatment Private Limited	114.64	23.26
Vasudha Waste Treatment Private Limited	6.59	27.14
SFC Umwelttechnik GmbH	3.66	-
Sale of Services		
Hindustan Waste Treatment Private Limited	36.62	71.30
Vasudha Waste Treatment Private Limited	1.20	41.20
Pentagen Biofules Private Limited	-	-

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

Transactions with related parties:	Year Ended March 31, 2026	Year Ended March 31, 2025
Other Income		
Interest on unsecured loan		
Fine Aeration Systems Private Limited	9.80	14.37
Hindustan Waste Treatment Private Limited	37.73	1.79
Vasudha Waste Treatment Private Limited	21.17	20.73
SFC Umwelttechnik GmbH	1.37	-
Dividend Received		
Chavare Engineering Private Limited	6.12	6.12
Reimbursement of Expenses - Income		
Hindustan Waste Treatment Private Limited	0.19	-
Sustainyx Smart Solution Private Limited	0.02	-
Corporate Guarantee		
Chavare Engineering Private Limited	2.20	2.20
Vasudha Waste Treatment Private Limited	4.56	5.41
Pentagen Biofules Private Limited	0.52	0.55
Hindustan Waste Treatment Private Limited	4.87	-
Rent and Infrastructure		
Sustainyx Smart Solution Private Limited (Formerly known as Navitas Waste Treatment Private Limited)	0.24	0.24
Turbomax India Private Limited	0.18	0.18
Sale of Fixed Assets		
Turbomax India Private Limited	-	-
Expenditure		
Purchase of Goods		
Chavare Engineering Private Limited	55.87	81.52
Fine Aeration Systems Private Limited	419.64	366.57
Turbomax India Private Limited	27.52	11.12
Pentagen Biofules Private Limited	-	-
Procurement of Services		
Turbomax India Private Limited	5.29	4.66
IST -Anglagenbau GmbH	2.26	-
Chavare Engineering Private Limited	-	-
SFC Umwelttechnik GmbH	11.63	-
Purchase of Fixed Assets		
Fine Aeration Systems Private Limited	-	0.41
Chavare Engineering Private Limited	0.11	
Repairs & Maintenance Expenses/ Site Sxpenses		
Chavare Engineering Private Limited	5,507.04	-
Turbomax India Private Limited	-	4.66
Erection, Commissioning & Installation Charges		
Chavare Engineering Private Limited	-	-
Reimbursement of Expenses		
Vasudha Waste Treatment Private Limited		-
Hindustan Waste Treatment Private Limited		-
IST -Anglagenbau GmbH	1.99	-

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

Transactions with related parties:	Year Ended March 31, 2026	Year Ended March 31, 2025
Reimbursement of Fees towards Business Support Services		
Turbomax India Private Limited		-
Directors Remuneration and Incentives		
Sandeep Sudhakar Asolkar	42.11	41.45
Sarvesh Kumar Garg	11.83	11.83
Saketchandrasingh Pratapsingh Dhandoriya	11.83	6.90
Sandeep Sambhaji Parab	-	-
Veera Venkata Satyanarayana Yannamani	-	-
Salary		
Prachiti Sandeep Asolkar	6.08	1.33
Mandar Dinkar Desai	14.35	8.15
Amit Anil Sawant	5.64	3.35
Shweta Deshpande	1.33	0.98
Shruti Mandar Desai	3.34	0.75
Professional Fees		
Shruti Mandar Desai	-	1.10
Dividend Paid *		
Sandeep Sudhakar Asolkar	-	105.28
Sarvesh Kumar Garg	-	18.42
Saketchandrasingh Pratapsingh Dhandoriya	-	16.87
Mandar Dinkar Desai	-	0.15
Amit Anil Sawant	-	0.12
Sandeep Sambhaji Parab	-	-
Veera Venkata Satyanarayana Yannamani	-	-
Asolkar Tradecrafts Pvt. Ltd.	-	16.59
Bhagyashree Anil Sawant	-	0.03
Finance		
Loan Given (Payment) (excl Interest on Loan)		
Vasudha Waste Treatment Private Limited	296.40	122.20
Fine Aeration Systems Private Limited	6.50	23.50
Pentagen Biofules Private Limited	83.39	89.48
Hindustan Waste Treatment Private Limited	1,144.02	122.50
Chavare Engineering Private Limited	-	-
SFC Umwelttechnik GmbH	30.50	
Sustainyx Smart Solution Private Limited (Formerly known as Navitas Waste Treatment Private Limited)	-	-
Loan Repaid (Received)		
Vasudha Waste Treatment Private Limited	178.50	305.59
Fine Aeration Systems Private Limited	66.39	9.95
Hindustan Waste Treatment Private Limited	297.60	147.93
Chavare Engineering Private Limited	-	24.70
Sustainyx Smart Solution Private Limited (Formerly known as Navitas Waste Treatment Private Limited)	-	-
Advance Paid		
SFC Umwelttechnik GmbH	-	9.24
Investments		
Purchase of Shares		
SFC Umwelttechnik GmbH	11.28	-
Pentagen Biofuels Pvt. Ltd	-	2.40
Hindustan Waste Treatment Private Limited	-	180.00
Vasudha Waste Treatment Private Limited	-	2.73
Sustainyx Smart Solution Private Limited (Formerly known as Navitas Waste Treatment Private Limited)	-	-

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

Investment in Shares		
Vasudha Waste Treatment Private Limited	-	-
Fine Aeration Systems Private Limited	-	-
Pentagen Biofules Private Limited	-	-
Turbomax India Private Limited	122.50	40.43
Hindustan Waste Treatment Private Limited	-	-
IST -Anglagenbau GmbH	323.20	-

(ii) Balances with Related Parties

	As at March 31, 2026	As at March 31, 2025
Employee Benefit Payable		
Sandeep Sudhakar Asolkar	5.47	8.45
Sarvesh Kumar Garg	-	-
Sandeep Sambhaji Parab	-	-
Veera Venkata Satyanarayana Yannamani	-	-
Trade Payables		
Chavare Engineering Private Limited	29.08	35.04
Fine Aeration Systems Private Limited	-	92.78
Turbomax India Private Limited	1.84	10.81
Pentagen Biofules Private Limited	-	-
SFC Umwelttechnik GmbH	10.81	-
IST -Anglagenbau GmbH	0.25	-
Trade Receivable		
Chavare Engineering Private Limited	0.59	2.38
Hindustan Waste Treatment Private Limited	24.65	76.41
Vasudha Waste Treatment Private Limited	8.98	61.28
Fine Aeration Systems Private Limited	-	7.95
SFC Umwelttechnik GmbH	3.92	-
Pentagen Biofules Private Limited	0.15	3.70
Other Receivable		
Turbomax India Private Limited	0.21	0.21
Sustainyx Smart Solution Private Limited (Formerly known as Navitas Waste Treatment Private Limited)	1.06	0.78
SFC Umwelttechnik GmbH	1.37	-

Balances with Related Parties	As at March 31, 2026	As at March 31, 2025
Short Term Loans & Advances		
Chavare Engineering Private Limited	-	-
Sustainyx Smart Solution Private Limited (Formerly known as Navitas Waste Treatment Private Limited)	-	-
Hindustan Waste Treatment Private Limited	947.51	67.13
Vasudha Waste Treatment Private Limited	342.11	205.16
Fine Aeration Systems Private Limited	99.60	150.67
SFC Umwelttechnik GmbH	32.70	-
Pentagen Biofules Private Limited	190.39	107.00
Advance to Supplier		
SFC Umwelttechnik GmbH	10.90	9.23

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

Investment in Shares		
Chavare Engineering Private Limited	81.60	81.60
Vasudha Waste Treatment Private Limited	10.50	10.50
Sustainyx Smart Solution Private Limited	0.10	0.10
(Formerly known as Navitas Waste Treatment Private Limited)		
Hindustan Waste Treatment Private Limited	551.95	551.95
Fine Aeration Systems Private Limited	0.51	0.51
Turbomax India Private Limited	200.17	77.67
Pentagen Biofules Private Limited	20.00	20.00
SFC Umwelttechnik GmbH	94.17	82.89
IST- Anlagenbau GmbH	323.20	-

(iii) **Transactions & Balances of Corporate Guarantee**	As at March 31, 2026	As at March 31, 2025
Corporate guarantee given by SFC Environmental Technologies Limited for related parties:		
For Term Loan		
Amount sanctioned during the year		
a) Pentagen Biofuels Private Limited	-	-
b) Vasudha Waste Treatment Private Limited	-	-
Closing balance of the term loan at the end of the year		
a) Pentagen Biofuels Private Limited	13.90	17.85
b) Vasudha Waste Treatment Private Limited	412.70	498.30
For working capital facilities		
Amount sanctioned during the year		
a) Pentagen Biofuels Private Limited	-	-
b) Chavare Engineering Private Limited	-	-
C) Hindustan Waste Treatment Private Limited	2,450.00	
Amount of Sanctioned Facility at the end of the year		
a) Pentagen Biofuels Private Limited	7.50	36.00
b) Chavare Engineering Private Limited	220.00	220.00
C) Hindustan Waste Treatment Private Limited	2,450.00	

The sitting fees and commission paid to non-executive and Independent directors is Rs.0.75 (in Millions) (March 31, 2025 : Rs. 0.59 (in Millions)).

Note: Personal guarantee have been given by Mr. Sandeep Sudhakar Asolkar for the loans/credit facilities availed by the Group. Refer Note 51 for the same.

* Dividend amounts for FY 2024-25 includes the interim dividend declared on March 30, 2025 by the Board of Directors which was paid in FY 2025-26.

- 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.

48 Segment reporting

As per Ind AS 108- "Operating Segment", segment information has been provided under the Notes to Consolidated Financial Statements.

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

49 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 March 31, 2026

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								
Investments - Non-current	-	-	1,282.20	1,282.20	-	1,282.20	-	1,282.20
Loans - Non-current	-	-	-	-	-	-	-	-
Other financial assets - Non-current	-	-	71.97	71.97	-	-	71.97	71.97
Trade receivables - Current	-	-	4,312.34	4,312.34	-	-	4,312.34	4,312.34
Cash and cash equivalents - Current	-	-	176.32	176.32	-	-	176.32	176.32
Other bank balance - Current	-	-	848.33	848.33	-	-	848.33	848.33
Loans - Current	-	-	1,806.25	1,806.25	-	-	1,806.25	1,806.25
Other Financial Asset - Current	2.05	-	54.29	56.34	-	2.05	52.24	54.29
Financial Liabilities								
Borrowings - Non-current	-	-	47.52	47.52	-	47.52	-	47.52
Lease liabilities - Non-current	-	-	400.58	400.58	-	-	400.58	400.58
Borrowings - Current	-	-	1,239.57	1,239.57	-	14.23	1,225.34	1,239.57
Lease liabilities - Current	-	-	44.37	44.37	-	-	44.37	44.37
Trade payables - Current	-	-	1,128.78	1,128.78	-	-	1,128.78	1,128.78
Other financial liabilities - Current	-	-	93.24	93.24	-	-	93.24	93.24

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

As at March 31, 2025

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								
Investments - Non-current	-	-	825.22	825.22	-	825.22	-	825.22
Loans - Non-current	-	-	-	-	-	-	-	-
Other financial assets - Non-current	-	-	114.67	114.67	-	-	114.67	114.67
Trade receivables - Current	-	-	3,404.60	3,404.60	-	-	3,404.60	3,404.60
Cash and cash equivalents - Current	-	-	273.06	273.06	-	-	273.06	273.06
Other bank balance - Current	-	-	813.77	813.77	-	-	813.77	813.77
Loans - Current	-	-	710.02	710.02	-	-	710.02	710.02
Other Financial Asset - Current	-	-	57.47	57.47	-	-	57.47	57.47
Financial Liabilities								
Borrowings - Non-current	-	-	61.77	61.77	-	61.77	-	61.77
Lease liabilities - Non-current	-	-	444.95	444.95	-	-	444.95	444.95
Borrowings - Current	-	-	134.23	134.23	-	14.23	120.00	134.23
Lease liabilities - Current	-	-	41.35	41.35	-	-	41.35	41.35
Trade payables - Current	-	-	660.81	660.81	-	-	660.81	660.81
Other financial liabilities - Current	-	-	243.49	243.49	-	-	243.49	243.49





50 Risk management framework

The Company'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 Company's operations. The Company'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 Company is exposed preliminary to market risk, credit risk and liquidity risk. The Company'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 Company'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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company'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 Company's borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Variable rate borrowings	651.75	196.00
Fixed rate borrowings	635.34	-
Total	**1,287.09**	**196.00**

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 Company's profit after tax is affected through the impact on floating rate borrowings, as follows:

	Sensitivity	Impact on Equity	Impact on P&L
For the Year Ended March 31, 2026			
INR	+100	(4.88)	(4.88)
INR	-100	4.88	4.88
For year ended March 31, 2025			
INR	+100	(1.47)	(1.47)
INR	-100	1.47	1.47

(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 Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency.

The Company's exposure to currency risk (carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities) at the end of the reporting period are as follows :

Exposure to currency risk	As at March 31, 2026	As at March 31, 2025
Financial Assets		
Net financial assets- USD	36.27	32.26
Net financial assets- Euro	36.90	0.04
Net financial assets- Other currencies	0.64	0.26
	73.82	32.56
Financial liabilities		
Net financial liabilities- USD	871.08	393.06
Net financial liabilities- Euro	113.78	33.34
Net financial liabilities- Other currencies	0.85	7.49
	985.70	433.89
Net exposure	**911.89**	**401.33**

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currency, with all other variables held constant relating to unhedged foreign currency exposure. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in the foreign currency rates. The impact on the Company's profit after tax is as follows:

	Effect on profit after tax		Effect on Equity	
	Strengthening of Foreign Currency	Weakening of Foreign Currency	Strengthening of Foreign Currency	Weakening of Foreign Currency
As at March 31, 2026				
USD (10% Movement)	(62.47)	62.47	(62.47)	62.47
EURO (10% Movement)	(5.75)	5.75	(5.75)	5.75
Other currencies (10% Movement)	(0.02)	0.02	(0.02)	0.02
As at March 31, 2025				
USD (10% Movement)	(27.00)	27.00	(27.00)	27.00
EURO (10% Movement)	(2.49)	2.49	(2.49)	2.49
Other currencies (10% Movement)	(0.54)	0.54	(0.54)	0.54

(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. 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 Company 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 Company 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 Company 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.

The Movement in the allowance for impairment in respect of trade receivables during the period was as follows:

	Year Ended March 31, 2026	Year Ended March 31, 2025
Opening Balance	96.73	92.93
Amounts written off	-	-
Provision for the year	4.40	3.80
Net measurement of loss allowance	4.40	3.80
Closing balance	101.13	96.73

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

(C) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company'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, lease liabilities, trade payables and other financial liabilities.

The finance department of the Company 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 Company'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 March 31, 2026	Within 1 year	1 to 5 years	More than 5 years	Total
Borrowings	1,239.63	47.62	-	1,287.24
Trade payables	1,128.78	-	-	1,128.78
Lease liabilities	80.51	314.10	209.85	604.45
Other financial liabilities	93.24	-	-	93.24
	2,542.16	361.72	209.85	3,113.73

As at March 31, 2025	Within 1 year	1 to 5 years	More than 5 years	Total
Borrowings	134.29	57.14	4.76	196.19
Trade payables	660.81	-	-	660.81
Lease liabilities	82.06	320.01	284.45	686.52
Other financial liabilities	243.49	-	-	243.49
	1,120.65	377.15	289.21	1,787.01

51 Secured Borrowing

i. The Company has entered into Term Loan facility from Axis Bank, for the purpose of purchase of commercial premises situated at 22nd Floor, the Ambience Court, Sector 19D, Vashi, Navi Mumbai-400 705. Loan amount is Rs 100 Mn. @ Repo + 2.25% for period of 84 months, repayable in monthly installment ending on July 2030. This credit facility is against primary security of collateral of office premises. This credit facility is also backed by personal guarantee of Mr. Sandeep Sudhakar Asolkar, director & promoter of the Company.

ii. Fund based working capital facilities from banks carry interest ranging from 7.25% to 9.55% per annum (March 31, 2025: 7.70% to 9.85%p.a.). The said facilities 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. The credit facility of the company is also backed by personal guarantee of Mr. Sandeep Sudhakar Asolkar, director & promoter of the Company.

iii. Bill discounted under letter of credit with usance period of upto 180 days

	As at March 31, 2026	As at March 31, 2025
Current	1,239.57	134.23
Non Current	47.52	61.77
TOTAL	**1,287.09**	**196.00**

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

52 Leases

As a Leasee

(i) The Company 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 March 31, 2026**	**As at March 31, 2025**
Balance as at the beginning of the year	521.43	65.92
Additions during the current year	-	477.20
Deletions during the current year	(11.69)	(14.75)
Depreciation of ROU	(57.25)	(19.23)
Accumulated depreciation on disposal of ROU	10.07	12.28
Balance as at the end of the year	**462.55**	**521.43**

Lease Liabilities	**As at March 31, 2026**	**As at March 31, 2025**
Current	44.37	41.35
Non-current	400.58	444.95
Total Lease Liabilities	**444.95**	**486.29**

(ii) Following are the carrying value of right of use assets for period ended March 31, 2026 and Year Ended March 31, 2025.
Please refer note no.6 for detailed presentation of fair value of right of use assets.

(iii) Impact of adoption of Ind AS 116 is as follows:

	Year Ended March 31, 2026	**Year Ended March 31, 2025**
Decrease in lease rentals by	(79.29)	(66.48)
Increase in finance cost by	39.77	32.22
Increase in depreciation by	57.25	19.23
Gain on termination of lease	0.22	0.26
Net impact on profit/loss	**17.95**	**(14.77)**

(iv) Maturity analysis of lease liabilities– contractual undiscounted cash flows:

	As at March 31, 2026	**As at March 31, 2025**
Less than one year	80.51	82.06
One to five year	314.10	320.01
More than five year	209.85	284.45
Total undisclounted lease liabilities as at	**604.45**	**686.52**

	Year Ended March 31, 2026	**Year Ended March 31, 2025**
(v) The total cash outflow for leases for period ended	79.29	66.48

General description of leasing agreements:

Leased assets: Buildings & Motor Vehicle

Future lease rentals are determined on the basis of agreed terms.

At the expiry of lease terms, the Company 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.

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

53 Ratio analysis

Ratios	Numerator	Denominator	March 31, 2026	March 31, 2025	% Variation	Remarks
Current Ratio (times)	Current assets	Current Liabilities	2.85	3.94	-27.61%	Mainly due to relative increase in working capital (primarily trade receivables, borrowing and loans & advances)
Debt to Equity Ratio (times)	Total Debt	Shareholder's Equity	0.17	0.03	438.35%	Mainly due to increase in Borrowing
Debt Service Coverage Ratio (times)	Earnings available for debt service	Debt Service*	63.52	56.76	11.90%	NA
Return on Equity Ratio (%)	Net profit after taxes	Average Shareholder's Equity	19.78%	23.06%	-14.21%	NA
Inventory Turnover Ratio (times)	Revenue from contracts with customer	Average Inventory	7.87	7.85	0.36%	NA
Trade receivable Turnover Ratio (times)	Revenue from contracts with customer	Average Trade receivable	1.44	1.52	-5.08%	NA
Trade payable Turnover Ratio (times)	Purchases	Average Trade Payables	3.16	2.78	13.64%	NA
Net capital turnover ratio (times)	Revenue from operations	Working Capital	1.04	1.05	-1.04%	NA
Net profit ratio (%)	Net profit after taxes	Revenue from operations	24.00%	27.31%	-12.12%	NA
Return on capital employed (%)	Earning before interest and taxes	Capital Employed	21.68%	28.94%	-25.08%	Mainly due to increase in Borrowing
Return on investment (%)	Income from Marketable Securities and Fixed Deposits	Average Marketable Securities and Fixed Deposits	6.58%	7.27%	-9.44%	NA

** only consists of Interest expense on Financial liabilities measured at amortized cost*





54 Corporate Social Responsibility

Particulars	Remarks
Average net profit of the Company for last three financial years.	1,601.74
Prescribed CSR Expenditure (two percent. of the amount as in item 3 above).	32.03

A. Gross Amount required to be spent by the Group during the year : Rs. 32.03 (in Millions)

B Amount spent during the year:

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	32.04	-	**32.04**

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
(a) Amount required to be spent by the company during the Year	32.03	27.71
(b) Excess Spend of previous year/s utilised (refer (f) below)	(0.08)	(0.12)
(c) Spend obligation for the year	31.95	27.59
(d) Amount of expenditure incurred	32.04	27.67
(e) Shortfall/(Excess) at the end of the year (c - d)	(0.09)	(0.08)
(f) Reason for shortfall	NA	NA
(g) Nature of CSR activities	Contribution to promoting education & health care and contribution to Prime Minister's National Relief Fund	Contribution to promoting education & health care
(h) Details of related party transactions	NA	NA
(i) Provision for CSR	NA	NA
(j) Carried Forward For next year (e)	0.09	0.08

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

SFC Environmental Technologies Ltd. Vashi Navi Mumbai

55 The Company has obtained various borrowings against security of current assets. The Company has submitted various documents to the bank, the details of which

As at March 31, 2026

Name of Bank/ Financial Institution	Quarter	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for difference
Bank of India, Kotak Bank and Axis Bank	Jun-25	Debtors	1,916.94	2,013.57	**-96.63**	Refer note (i) (ii) (iii)
		Creditors for Goods	271.53	465.55	**-194.02**	
		Closing Stock	770.22	621.37	**148.84**	
	Sep-25	Debtors	1,548.42	1,812.98	**-264.56**	
		Creditors for Goods	207.86	209.14	**-1.29**	
		Closing Stock	860.73	654.47	**206.27**	
	Dec-25	Debtors	2,332.57	2,429.91	**-97.34**	
		Creditors for Goods	389.83	391.39	**-1.56**	
		Closing Stock	833.18	643.88	**189.29**	
	Mar-26	Debtors	4,312.34	4,559.93	**-247.59**	
		Creditors for Goods	1,128.78	1,115.95	**12.84**	
		Closing Stock	777.98	681.90	**96.08**	

Notes

(i) In case of Debtors, amount reported in the quarterly return/ statement does not include the impact of Expected Credit Loss (ECL) in all periods. Further, for the quarter ended September, certain reception from debtors were not considered and for the quarter ended March cheques in hand were considered while reporting in the quarterly return / statement.

(ii) In case of Creditors for Goods, amount reported in the quarterly return/ statement includes few Creditor for expense in all periods. Further, for the quarter ended June, few creditor were reported twice resulting in duplication.

(iii) In case of Closing Stock, revaluation of stock as per relevant standards impact and work-in-progress(WIP) was not considered while reporting in the quarterly return / statement.

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

SFC Environmental Technologies Limited

(Formerly known as SFC Environmental Technologies Private Limited)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

CIN : U37003MH2005PLC152235

(Currency: Indian Rupees in Millions)

As at March 31, 2025

Name of Bank/ Financial Institution	Quarter	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for difference
Bank of India, Kotak Bank and Axis Bank	Jun-24	Debtors	1,745.74	1,770.86	(25.12)	The difference arises from finalizing earlier provisional numbers upon year-end book closure and aligning stock valuation method with applicable Indian accounting standards
		Creditors	547.77	547.58	0.19	
		Closing Stock	584.69	449.90	134.79	
	Sep-24	Debtors	1,421.68	1,434.00	(12.32)	
		Creditors	109.50	108.69	0.81	
		Closing Stock	635.44	509.52	125.92	
	Dec-24	Debtors	1,488.98	1,487.39	1.59	
		Creditors	373.04	385.52	(12.49)	
		Closing Stock	886.36	723.42	162.93	
	Mar-25	Debtors	3,501.33	3,939.64	(438.31)	
		Creditors	660.81	634.84	25.96	
		Closing Stock	637.21	701.92	(64.71)	

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

56 Details of loans granted/securities provided to promotors, directors, KMPs and related parties

Particulars	Guarantees	Security	Loans
Aggregate amount granted/provided during the year			
- Subsidiaries	2,450.00	-	1,560.81
- Joint Ventures	-	-	-
- Associates	-	-	-
- Others	-	-	-
Balance outstanding as at balance sheet date in respect of above cases			
- Subsidiaries	3,104.10	-	1,612.32
- Joint Ventures	-	-	-
- Associates	-	-	-
- Others	-	-	-

Parties	Promoters	Related Parties
Aggregate amount of loans/advances in nature of loans	-	1,612.32
Repayable on Demand (A)	-	1,612.32
Agreement does not specify any terms or year of repayment (B)	-	-
Total (A+B)	-	**1,612.32**
Percentage of loans/advances in nature of loans to the total loans	**0.00%**	**89.26%**

57 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 Company 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 Company 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 year ended March 31, 2026 and the year ended March 31, 2025.The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans, borrowings and lease liabilities less cash and cash equivalents.

The amount managed as capital by the Company are summarised as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings	1,287.09	196.00
Lease Liability	444.95	486.29
Less: cash and cash equivalent	(176.32)	(273.06)
Net Debt	1,555.72	409.24
Total Equity	7,453.28	6,110.23
Capital and Net debt	9,009.00	6,519.47
Gearing Ratio	0.17	0.06

The Company'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 Company has the financial flexibility required to continue its expansion.

58 Dividend

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Dividend on equity shares declared and paid during the year:		
Final dividend of Rs. NIL per equity share for year ended March 31, 2026 (March 31, 2025: Rs. NIL)	-	-
Interim dividend Rs. NIL per equity share for year ended March 31, 2026 (March 31, 2025: Rs.22)*	-	311.37
Total	-	**311.37**

*During the financial year 2024-25, the Company had declared and paid two dividends amounting to a total of ₹22 per share — comprising an interim dividend of ₹20 per share in the month of June 2024 and ₹2 per share in the month of March 2025.

59 Revenue from contracts with customers

Contract Liabilities

Movement in contract Liabilities during the year:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Balance as at April 01	26.27	17.26
Balance as at March 31	25.29	26.27
Net increase/(decrease)	**(0.98)**	**9.01**

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SFC Environmental Technologies Ltd. Vashi Navi Mumbai

60 Other additional regulatory information

60.01 The Company has not revalued any property, plant & equipment nor any intangible assets.

60.02 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

60.03 The Company does not hold any intangible assets under development and accordingly, no ageing nor completion schedule is provided.

60.04 The Company has utilised borrowings from banks or financial institutions for the purpose for which it was obtained.

60.05 The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

60.06 The Company does not have any transactions with struck off companies.

60.07 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory year.

60.08 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

60.09 The Company 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.

60.10 The Company 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.

60.11 The Company 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 company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

60.12 The Company 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 Company 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.

61 Any discrepancies in any amount in Financial Statement 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.

62 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 report of even date
For G B C A & Associates LLP
Chartered Accountants
FRN: 103142W / W100292

Yogesh Amal
Partner
Membership Number: 111636
Mumbai
Date: 13 AUG 2026

GBCA & ASSOCIATES LLP MUMBAI Chartered Accountants

For and on behalf of the Board of Directors of
SFC Environmental Technologies Limited
(Formerly known as SFC Environmental Technologies Private Limited)

Sandeep Sudhakar Asolkar
Chairman & Managing Director
DIN: 00097828
Place: Navi Mumbai
Date: 13 AUG 2026

Sarvesh Kumar Garg
Executive Director
DIN: 06873116
Place: Navi Mumbai
Date: 13 AUG 2026

Mandar Dinkar Desai
Chief Executive Officer

Place: Navi Mumbai
Date: 13 AUG 2026

Amit Anil Sawant
Chief Financial Officer

Place: Navi Mumbai
Date: 13 AUG 2026

Shweta Deshpande
Company Secretary
Membership No.: A-67764
Place: Navi Mumbai
Date: 13 AUG 2026

SFC Environmental Technologies Ltd. Vashi Navi Mumbai