

About Company

✦ **Concord Enviro** is primarily engaged in designing, manufacturing, installing, operating, and maintaining **industrial wastewater treatment and reuse solutions, including Zero Liquid Discharge (ZLD) systems**. The company's solutions cater to various industries, such as pharmaceuticals, chemicals, food and beverage, defence and offshore, automotive, steel, and textiles, helping these sectors achieve water security, meet sustainability goals, and comply with pollution control regulations.

Company Business operations includes :

- ✦ **Systems and Plants:** manufacture and sale water and wastewater treatment, reuse and ZLD of systems and plants and turnkey solutions and includes effluent treatment plants, anaerobic digestors, membrane bioreactors, sewage treatment plants, membrane-based systems including ultra-filtration ("UF"), nano-filtration ("NF"), reverse osmosis ("RO"), desalination systems and waste heat evaporators ("WHE")
- ✦ **O&M:** operations and maintenance;
- ✦ **Consumables and Spares:** Manufacture and sale of consumables and spare parts (including membranes, plants, chemicals and consumables).

As of August 31, 2024, company's Order Book was ₹ 501.74 crores, of which 74.50% comprises system and plant orders and 25.50% comprises after-sales revenue (including consumables and spares orders and O&M services orders).

Financials of the company

(Fig. in Cr)

Particulars	Aug 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	206.17	496.86	343.22	329.37
EBITDA	15.11 (7.33%)	81.14 (16.33%)	49.58 (14.45%)	61.42 (18.65%)
PAT	0.51 (0.25%)	41.44 (8.34%)	5.48 (1.60%)	16.47 (5%)
ROCE	2.08%	14.07%	6.96%	10.23%
D/E Ratio	0.52	0.47	0.47	0.47
CFOA	-5.08	-34.66	117.36	49.03

Positive and Negative Points

Positive

- ✦ **Global Presence:** Concord Enviro operates internationally, with notable export contributions of 42% of revenue in FY24, diversifying risk beyond the domestic market.
- ✦ **Strong Industry Demand:** Rising global demand for water recycling, driven by water scarcity, stringent environmental regulations, and climate change, creates a **high-growth opportunity** for companies like Concord Enviro.

IPO Details

- ✦ Open date :
Dec 19, 2024
- ✦ Close date :
Dec 23, 2024
- ✦ Issue Size :
71,37,321 Shares (Rs. 500.33 Cr.)
- ✦ Fresh Issue :
24,96,433 Shares
- ✦ OFS :
46,80,888 Shares
- ✦ Price Band :
Rs. 665–701 Per Equity Shares
- ✦ Pre IPO Promoter Holding :
60.93%
- ✦ Post IPO Promoter Holding :
58.88%

Note: Major shareholder, **AF Holdings**, is selling **58.88%** of its shares through an Offer for Sale (OFS). Prior to the IPO, AF Holdings held **71,10,000 shares** in the company.

Negative

- ✦ For the period ended August 31, 2024, the EBITDA, PAT, EBITDA margins, and PAT margins have declined significantly.
- ✦ **High D/E Ratio** as compared to peers
- ✦ IPO is coming at slightly high PE.
- ✦ Unstable Cash flow from operating activities.
- ✦ Company has subsidiaries that have incurred losses in Fiscals 2024 and 2022.
- ✦ **Corporate Governance issue:** In the past company failed to file PF, TDS and GST returns etc. in time.

Objects of the Issue

Sr. No.	Particulars	Estimated Amount* (₹ in Crore)
1.	Investment in our wholly owned Subsidiary, CEF for financing its capital expenditure requirements for the greenfield project to develop an assembly unit to assemble systems and plants for treatment of water, waste water and related membrane modules	25
2.	Investment in our wholly owned Subsidiary, Rochem Separation Systems (India) Private Limited ("RSSPL") for financing its capital expenditure requirements for the brown field project to expand the manufacturing facilities, storage and supporting activities	10.5
3.	Funding capital expenditure requirements of our Company for purchase of plant and machinery	3.2
4.	Investment in our wholly owned Subsidiary, Concord Enviro FZE for prepayment or repayment, in full or in part, of all or a portion of certain outstanding borrowings availed by CEF	50
5.	Investment in our wholly owned Subsidiary, CEF, for funding working capital requirements of CEF	20
6.	Investment in our joint venture, Roserve Enviro Private Limited to grow our pay per use/pay as you treat business	10
7.	Investment in technology and other growth initiatives for access to new markets [^]	23.5

Comparison with Peers

Companies	Revenue	EBITDA	PAT	D/E Ratio	MCap	P/E
Concord Enviro Systems (FY 2024)	496.86 Cr.	81.14 Cr. (16.33%)	41.44 Cr. (8.34%)	0.52	1,450.81 Cr.	35
Praj Industries Limited (TTM)	3,363 Cr.	406 Cr. (12%)	300 Cr. (8.92%)	0.13	14,782 Cr.	53.10
Triveni Engineering and Industries (TTM)	5,405 Cr.	529 Cr. (10%)	307 Cr. (5.68%)	0.19	10,329 Cr.	33.20
VA Tech Wabag (TTM)	2,965 Cr.	387 Cr. (13%)	266 Cr. (8.97%)	0.22	10,404 Cr.	40
Thermax (TTM)	9,884 Cr.	879 Cr. (9%)	732 Cr. (7.41%)	0.32	56,361 Cr.	88.80

Note: Listed Peers given in RHP are not comparable as these companies are in diversified conglomerate segments except VA Tech Wabag.

Recently, a company named Apex Ecotech operating in the same business segment was listed, and it can also be considered for comparison as a peer.



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