SE

SFC Environmental Technologies Limited

Manufacturing | Mainboard

Rs. 313 - 330

27 Oct 2026 - 29 Oct 2026

Issue size	Where the money goes	Earnings per share
Rs. 668 cr	**22% fresh**	**Rs. 16.52**
	Rs. 150 cr to the company, Rs. 518 cr to selling holders - computed from the share count at the band cap - p.1	issuer disclosed

WHAT STANDS OUT IN THE OFFER DOCUMENT

LOOK CLOSER Over several years, little of the profit came in as cash.
Across 3 years it made Rs.456 cr of profit and brought in Rs.28 cr of cash from operations.

THE FIVE QUESTIONS

1. How it makes money
Rs.95 of every Rs.100 comes from India.

2. Is it growing, and is profit turning into cash?
Sales rose 22% from FY2024 to FY2026 (Rs.658 cr to Rs.804 cr). Over 3 years it made Rs.456 cr of profit and brought in Rs.28 cr of cash from operations.

3. How much cushion does it have?
It owes Rs.0.24 for every Rs.1 of its own money. The line for manufacturing is Rs.2.

4. What you pay, and who gets the money
Of every Rs.100 raised, Rs.78 goes to existing shareholders selling. At Rs.330 you pay about Rs.20 for every Rs.1 of last year's profit. The listed peers the document names: Rs.52 (middle of 3).

5. Who controls it, and what is on record?
Promoters own 43% before the IPO. The document discloses 3 legal matters.

WHAT THE COMPANY DOES

SFC Environmental Technologies Limited is an environmental technology company offering technologies and engineering solutions in wastewater treatment (WWT), wastewater recycling & reuse (WRR), and solid waste treatment (SWT). Its core proprietary technologies include C-Tech (Sequencing Batch Reactor technology) for wastewater treatment and OREX (Organic Extraction technology) for solid waste treatment.

Provides technology packages, engineering design, fabrication, supply, commissioning, and operation & maintenance services for sewage, wastewater, and solid waste processing facilities.

WHERE THE MONEY GOES

Fresh issue goes to the company. Offer for sale goes to shareholders selling out.



Fresh issue Rs. 150 cr 22% | Offer for sale Rs. 518 cr 78%

How the fresh proceeds are to be spent, as stated in Objects of the Offer.



Prepayment of all or a portion of... 36% | Funding our working capital requi... 64%

PROMOTER HOLDING

42.8% before > **—** after

AGAINST LISTED PEERS

Company	P/E	Revenue	Source
SFC Environmental Technologies Limited (this IPO, at the band cap)	**20.0x**	**Rs. 804 cr**	**band / EPS p.184**
Thermax Limited	52.0x	Rs. 10,694 cr	p.186
Praj Industries Limited	220.8x	Rs. 3,168 cr	p.186
Ion Exchange (India) Limited	31.3x	Rs. 2,915 cr	p.186
Industry average	101.4x	—	issuer

Figures as printed in the offer document. This page does not say whether that is expensive or cheap. That judgement is yours.

FINANCIALS, RS. CRORE

	FY2024	FY2025	FY2026	2Y CAGR
Revenue	658	698	804	+10.6%
EBITDA	193	207	236	—
Profit after tax	144	152	160	+5.4%
Net worth	534	649	804	—
Total debt	139	84	196	—

READING THESE NUMBERS AS MANUFACTURING

What actually diagnoses this business: Capacity utilisation - Order book - Working capital days - Customer concentration.

DOES THE PROFIT TURN INTO CASH

	FY2024	FY2025	FY2026
Operating cash flow	-12	66	-26
Capital expenditure	-28	-31	-16
Financing	72	-107	92

Operating cash flow is -16% of profit after tax. The rest is sitting in receivables or inventory.

WHEN LOCKED SHARES CAN BE SOLD

Each date releases shares that could not previously be traded.

+1 months
Anchor, first half
50.0%

+3 months
Anchor, remainder
50.0%

+18 months
Promoter
20.0%

THE DOCUMENT'S OWN CASE, FOR AND AGAINST

STRENGTHS IT CLAIMS

1. Technology driven market leadership as a key player in the wastewater treatment market (p.311)
2. Vertical integration through constant innovation and use of technology (p.311)
3. Well-positioned to capture market opportunities in the solid waste treatment segment (p.312)
4. High proportion of repeat business with strong Order book (p.313)
5. Track record of consistent performance and strong financial profile (p.314)

RISKS IT DISCLOSES

1. Revenues and operations are dependent upon technology, and failure to innovate or adapt to technological developments could harm competitiveness. (p.28)
2. Substantial revenue is derived from WWT and SWT segments, which are significantly dependent on projects awarded or funded by government entities. (p.29)
3. The company derives a significant part of its revenue from top 10 customers without long-term contracts with most of them. (p.31)
4. Failure to comply with trade restrictions, sanctions, or anti-bribery frameworks could lead to debarment and reputational harm. (p.32)
5. The company has experienced negative cash flows from operating activities in past periods and may continue to do so in the future. (p.32)

Both columns are the offer document's own words, not this page's assessment.

THE INDUSTRY, AS THE DOCUMENT DESCRIBES IT

Market size Rs. 2,920 cr in FY2026, forecast Rs. 4,550 cr by FY2031, a 9.3% CAGR, company's stated share 80.0%.

Drivers it names: Rapid urbanisation and industrial expansion driving higher wastewater generation and strict environmental compliance norms.; Government missions and policy push including AMRUT 2.0, NMCG, Swachh Bharat Mission, and national reuse frameworks..

Constraints it names: Shortfall in wastewater treatment capacity relative to sewage generation and fragmented regulatory oversight across states..

> These industry figures come from a Frost & Sullivan (India) Private Limited report commissioned and paid for by the issuer. It is not neutral research.

THE WIDER GROUP

Hindustan Waste Treatment Private Limited (subsidiary)	—
Vasudha Waste Treatment Private Limited (subsidiary)	—
Chavare Engineering Private Limited (subsidiary)	—
Turbomax India Private Limited (associate)	—
Asolkar Tradecraft Private Limited (promoter-group)	—

Analysed from the RHP at https://sfcenvironment.com/wp-content/uploads/2026/10/SFC-Environmental-Technologies-Ltd_RHP-1.pdf by IPO Agent's proprietary AI-assisted extraction on 2026-10-23. Figure verification was skipped. The source text was not available to check against.

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