



IPO Note

SFC ENVIRONMENTAL TECHNOLOGIES LIMITED

OCT 27th, 2026



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Details of the Issue

Price Band	₹ 313 - ₹ 330
Issue Size	₹ 668 Cr
Market Cap	₹ 3,232.57 Cr
Face Value	₹ 2
Bid Lot	45
Listing on	BSE, NSE
Investment Range	₹ 14,085 - ₹ 14,850

Important Indicative Dates (2026)

Opening	27 - Oct
Closing	29 - Oct
Basis of Allotment	30 - Oct
Refund Initiation	02 - Nov
Credit to Demat	02 - Nov
Listing Date	03 - Nov

Lead Manager

IIFL Capital Ltd
JM Financial Ltd
Nuvama Wealth Management Ltd

Offer Details

Offer Size	₹ 668 Cr
Fresh Issue	₹ 150 Cr
OFS	₹ 518 Cr

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	334	10.12	10.67	50
NII	100	3.04	3.20	15
Retail	234	7.08	7.47	35
Em-ploy.	-	-	-	-
Total	668	20.24	21.34	100

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SFC Environmental Technologies Limited is an environmental technology company providing design, engineering, manufacturing, installation and commissioning solutions across wastewater treatment (WWT), wastewater recycling and reuse (WRR), and solid waste treatment (SWT). Its wastewater treatment business is primarily driven by proprietary C-Tech sequencing batch reactor technology, with 728 installations commissioned and a treatment capacity of 17,511.11 million litres per day as of Jul 31, 2026. The Company is expanding its recycling capabilities through ultrafiltration, closed-circuit reverse osmosis and membrane bioreactor technologies, supported by an exclusive supply arrangement with DuPont for selected products in India. Its solid waste business uses proprietary Organic Extraction (OREX) technology to recover biodegradable organic matter for biogas generation and resource recovery, with two integrated facilities in Goa having a combined treatment capacity of up to 425 tonnes per day. Through its subsidiary, the Company has secured compressed biogas plant orders in Assam and Odisha worth ₹5,01.7 crore and is exploring opportunities in agricultural waste and biomass. Operating across 23 states and five Union Territories, the Company serves municipal bodies, government-owned entities and EPC contractors through technology supply, project execution and operations and maintenance services. As of Aug 31, 2026, the Company had 264 employees, including 149 engineers, supporting its technical, manufacturing, project execution and commercial operations.

[GEPL's Insights & Investment Thesis:](#)

- SFC Environmental Technologies Limited is an environmental technology company with solutions across wastewater and solid waste management. It has over 80% market share in India's SBR-based wastewater treatment segment and 728 commissioned installations with a treatment capacity of 17,511.11 MLD.
- The company's growth strategy focuses on expanding wastewater recycling and reuse solutions and capitalising on opportunities in solid waste management, compressed biogas and waste-to-energy projects.
- Based on FY26 earnings, the issue is priced at a P/E of 19.2x, which appears fairly valued. The company is expanding wastewater and solid waste solutions, healthy financial performance, and 80% market share in India's SBR based wastewater treatment. Therefore, we recommend an **"Subscribe"** rating for the issue.

[Business Highlights & Services](#)

SFC Environmental Technologies is well-positioned to benefit from rising investments in wastewater treatment, water recycling and sustainable waste management, supported by its proprietary C-Tech technology, over 80% market share in India's SBR-based wastewater treatment segment and 728 commissioned installations with a treatment capacity of 17,511.11 MLD. The Company is strengthening its competitive advantage through backward integration and in-house manufacturing of critical components, improving cost efficiency, supply-chain control and execution capabilities. Its expansion into wastewater recycling, compressed biogas and waste-to-energy projects provides additional growth opportunities, supported by a total order book of ₹16,566.43 million as of August 31, 2026, across wastewater treatment, recycling and solid waste treatment. The solid waste business further benefits from established operating facilities in Goa and secured CBG projects in Assam and Odisha, while repeat customers contributed 91.98% of FY26 revenue, reflecting strong customer relationships.



Sustained order execution, increasing manufacturing integration and diversification into adjacent environmental technologies will be key to driving future revenue growth and profitability.

SFC Environmental Technologies is strengthening its solid waste treatment business by targeting large-scale municipal solid waste, compressed biogas (CBG) and waste-to-energy projects, supported by rising waste generation, urbanisation and the phased increase in CBG blending obligations from 1% in FY26 to 5% from FY29. The Company is leveraging its operating experience in Goa and strategic partnerships with oil marketing companies and city gas distribution companies to expand project opportunities and improve CBG offtake visibility. Its expansion into agricultural waste-based biogas projects in Punjab and Maharashtra further diversifies its growth pipeline and provides opportunities to capitalise on the increasing focus on renewable energy and waste-to-value solutions.

The Company is expanding beyond conventional wastewater treatment into wastewater recycling and reuse, supported by growing water scarcity, stricter environmental regulations and increasing demand for treated water. Its established leadership in SBR technology, with over 80% market share in India, provides a strong foundation for cross-selling advanced treatment solutions, including membrane-based technologies through its exclusive supply arrangement with DuPont. The WRR order book of ₹5,610.72 million as of August 31, 2026, indicates initial business traction in this segment. Additionally, the acquisition of an 80% stake in IST-Anlagenbau GmbH strengthens its solar sludge drying capabilities, while investments in in-house manufacturing and technologies such as MABR support product differentiation, cost efficiency and long-term growth.

SFC Environmental Technologies aims to expand its presence across the Middle East, Africa, South Asia and other international markets by leveraging its existing technology portfolio, strategic partnerships and acquisition opportunities. Its execution track record includes a 10 MLD wastewater treatment project in Kenya and an 80 MLD project in Bangladesh, providing a base for further international expansion. Continued R&D investments, product development and patent initiatives are expected to strengthen its technological capabilities, improve treatment efficiency and support customised solutions at competitive costs. Successful execution of its expansion strategy, alongside conversion of its order pipeline into revenue, will be key to sustaining growth and improving profitability.

Business Verticals wise revenue breakup

Particular	FY26		FY25		FY24	
	(INR in Cr)	%	(INR in Cr)	%	(INR in Cr)	%
Wastewater Treatment	543	68%	469	67%	524	80%
Wastewater Recycling & Reuse	14	2%	-	0%	-	0%
Solid waste treatment	140	17%	119	17%	50	8%
Other Operating revenue	106	13%	109	15.66%	83	12.60%
Total	804	100%	698	100%	657	100%

Order Book breakup (In Cr)

Particular	Q1FY26	FY26	FY25	FY24
WWT	561.25	571.08	459.75	656.45
SWT	459.05	502.52	100.63	128.79
Total	1,020	1,074	560	785



Peers comparison

Name of the company	Face Value (₹)	Total Revenue (₹ Cr)	EPS	NAV (₹)	P/E (x)	RoNW(%)
SFC Environmental Technologies Ltd	2	803.6	16.52	86.09	NA	21.25
Peers Group						
Thermax Ltd	2	10,694.1	63.94	492.55	52.01	13.74
Praj Industries Ltd	2	3,167.8	1.3	71.22	220.8	1.77
Ion Exchange (India) Ltd	1	2,914.8	12.03	91.3	31.3	11.2

Company's Competitive Strength

- Technology driven market leadership in the wastewater treatment market.
- Vertical integration through constant innovation and use of technology.
- Well-positioned to capture market opportunities in the solid waste treatment segment.
- High proportion of repeat business with strong Order book.
- Track record of consistent performance and strong financial profile.
- Proven management experience and leadership.

Key Strategies Implemented by Company

- Expansion of our SWT business through large-scale SWT projects and expansion into agro-waste projects.
- Forward integration with innovative technologies for recycling and reuse of wastewater.
- Further Strengthening the Core Wastewater Treatment Business.
- Acquisitions and expansion in new geographies while strengthening the presence in existing geographies.
- Enhance the research and development capabilities to increase commercialized technological offerings.

Particular (INR in Cr)	FY26	FY25	FY24
Equity Capital	19	19	6
Reserves and Surplus	785	630	528
Net Worth	824	663	561
Revenue	804	698	657
Growth (%)	15%	6%	
EBITDA	236	207	193
EBITDAM (%)	29.34%	29.73%	29.39%
PAT	160	152	144
PATM (%)	19.9%	21.8%	21.9%
ROE (%)	21.6%	24.8%	21.9%



Notes

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Thanks & Regards

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