



IPO Note

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# CLEAN MAX ENVIRO ENERGY SOLUTION LIMITED

Feb 23<sup>th</sup>, 2026



Feb 23<sup>th</sup>, 2026**Details of the Issue**

Price Band	₹ 1000 - ₹ 1053
Issue Size	₹ 3,100 Cr
Face Value	₹ 1
Bid Lot	14
Listing on	BSE,NSE
Post Issue Mcap	₹ 12,325.29 Cr
Investment Range	₹ 14,000 - ₹ 14,742

**Important Indicative Dates (2025)**

Opening	23 - Feb
Closing	25 - Feb
Basis of Allotment	26 - Feb
Refund Initiation	26 - Feb
Credit to Demat	27 - Feb
Listing Date	02 - Mar

**Lead Manager**

Axis Capital Ltd
J.P. Morgan India Pvt Ltd
BNP Paribas
HSBC Securities and Capital Market (india) Pvt Ltd
IIFL Capital Services Ltd
Nomura Financial Advisory and Securities (India) Pvt Ltd
BOB Capital Markets Ltd
SBI Capital Markets Ltd

**Offer Details**

Offer Size	₹ 3,100 Cr
Fresh Issue	₹ 1,200 Cr
OFS	₹ 1,900 Cr

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	1,550	14.72	15.50	50
NII	465	4.42	4.65	15
Retail	1,085	10.30	10.85	35
Em-ploy.	-	-	-	-
Total	3,100	29.44	31.00	100

**Invest Now****Company Profile**

Clean Max Enviro Energy Solution Ltd is India's largest Commercial & Industrial (C&I) renewable energy solutions provider, with 2.80 GW of operational, owned and managed capacity and an additional 3.17 GW of contracted capacity under execution as of October 31, 2025, as per CRISIL. Founded in 2010, the company has over 15 years of experience in enabling Net Zero and decarbonization outcomes for corporates. Its solutions span renewable power supply, energy services, and carbon credit offerings, serving customers across data centres, AI and technology-led industries, as well as conventional C&I sectors including infrastructure, cement, steel, industrial manufacturing, FMCG, pharmaceuticals, real estate, and global capability centres. The company offer end-to-end capabilities across energy contracting, EPC, and O&M, delivering solar, wind, and hybrid renewable energy projects through both onsite installations at customer premises and offsite CleanMax-developed renewable energy farms. Beyond power generation, it also provides turnkey decarbonization solutions, encompassing project development, long-term operations and maintenance, and carbon credit solutions.

**GEPL's Insights & Investment Thesis:**

- Clean Max Enviro Energy Solution Ltd has 2.8 GW of operational capacity with an additional 3.17 GW of contracted capacity and has a portfolio backed by 22.85 year average PPA tenure.
- Over the last three financial year, the company has reported healthy revenue growth, however, the profitability has remained constant.
- Based on the FY25 earnings, relative to the company's paid-up capital, the issue is priced at a EV/EBITDA ratio of 16x. We believe that the issue is overly valued compared to its peers, moderate financial performance. Therefore, we recommend a "Avoid" rating for the issue.

**Business Highlights & Services**

Clean Max is India's largest C&I renewable energy player (CRISIL), with a diversified base of 555 customers and 1,198 PPAs as of Sept 30, 2025. No single customer contributes >10% revenue, materially reducing concentration risk. Smaller, customer-centric ticket sizes (24.08 MW per customer) diversify exposure across sectors and geographies. The company Portfolio backed by **22.85-year average PPA tenure** and -16.86-year lock-in periods, ensuring long-term annuity cash flows. High repeat contracting rates demonstrate customer stickiness and embedded growth within the existing base. Unlike utility-scale IPPs, the company avoids tariff-based competitive bidding with DISCOM-FY25 weighted average tariff: ₹3.66-₹3.76, Industry average (utility-scale): ₹2.44-₹2.46. The premium reflects differentiated C&I project economics, better risk profile, and customized solutions, supporting superior margins. The company has Capabilities across contracting, EPC, O&M, land aggregation, evacuation infrastructure and carbon services create execution control and margin capture across the value chain. Geographic presence across 23 Indian states + UAE, Bahrain and Thailand strengthens competitive moat. Clean Max's investment case is anchored in its fully integrated, in-house execution model spanning project development, land acquisition, regulatory approvals, EPC, procurement, and long-term O&M, which enables timely commissioning, strict cost control, and optimized plant performance, with all projects from FY23 to H1FY26 delivered within budget.



The company mitigates key renewable risks by securing land and evacuation capacity upfront (1,311 MW STU and 1,480 MW CTU applications pending, with majority land secured for near-term pipeline), supported by a dedicated 38-member development team, enhancing pipeline visibility and reducing execution uncertainty. Its early adoption of advanced turbine technology, including India’s first 3.3 MW and now 5 MW Envision turbines, drives 8-10% LCOE reduction, lowers project complexity, and improves generation efficiency, strengthening structural cost competitiveness. Prudent capital discipline (moderate construction interest utilization and defined cost controls), diversified supplier partnerships post-ALMM, and strong risk governance further protect project IRRs. Additionally, its scalable onsite solar platform (312 customers, 588 PPAs, 1,330 plants) demonstrates execution depth in complex customer environments, reinforcing entry barriers and customer stickiness, positioning the company as a de-risked, execution-led C&I renewable platform with high cash flow visibility and sustainable long-term growth potential.

Clean Max’s forward growth strategy strengthens its long-term investment case by positioning the company to capitalize on the structural expansion of India’s C&I renewable market, where penetration is expected to rise from 7% in FY23 to ~20% by FY30 (CRISIL). As the largest C&I renewable player in India, the company is well placed to capture this demand through its pan-India footprint and proactive development of land and evacuation infrastructure across 11 high-consumption states that account for nearly 80% of India’s C&I energy usage. By building STU and CTU pipelines ahead of contracting, Clean Max enhances execution readiness and shortens project conversion cycles, reinforcing growth visibility. International expansion into Thailand, UAE and Bahrain, with evaluation of Saudi Arabia, provides optionality for geographic diversification. On the customer front, the strategy to deepen engagement with both Technology and Conventional C&I clients through cross-selling of EAPAs, carbon credits, and hybrid/STU solutions enhances wallet share and revenue per customer, while targeting structural growth sectors such as AI, data center’s, GCCs, and infrastructure aligns the portfolio with high-energy-demand industries. Simultaneously, the company’s continued investment in execution excellence – through stronger land aggregation, evacuation planning, digital EPC tools, and advanced asset management systems including SCADA-based monitoring, predictive maintenance, and centralized operations – supports superior plant availability, higher PLFs, cost discipline, and long-term asset reliability. This dual focus on market expansion and operational excellence reinforces Clean Max’s positioning as a scalable, execution-driven C&I renewable platform with improving competitive moats, stronger customer stickiness, and sustained long-term earnings visibility.

The company has expanding into high-value adjacencies that enhance margins, customer stickiness, and capital efficiency. The planned integration of BESS addresses rising C&I demand for reliable, time-shifted renewable power, improving tariff realization and future-proofing its portfolio as storage economics improve. Scaling its Carbon Services platform taps into the fast-growing voluntary carbon market, creating an asset-light, high-margin revenue stream leveraged off its existing customer base. Expansion into wind turbine O&M, turn-key capex solutions, and potential energy efficiency services further deepens customer integration and diversifies revenues. Coupled with disciplined leverage and co-investment partnerships that enable non-dilutive growth while retaining control, these initiatives position Clean Max as a scalable, full-stack C&I decarbonization platform with improving return ratios and long-term earnings visibility.

Revenue split by business segment

Particular	1HFY26		FY25		FY24		FY23	
	Amount (In Cr)	% of TR						
Renewables Energy Power Sales	719	77.09%	1107	74.02%	866	62.32%	475	51.08%
Renewable Energy Services	205	21.98%	377	25.19%	518	37.28%	455	48.92%
Other	9	0.93%	12	0.79%	6	0.40%	0	0.00%
<b>Total Revenue</b>	<b>933</b>	<b>100%</b>	<b>1,496</b>	<b>100%</b>	<b>1,390</b>	<b>100%</b>	<b>930</b>	<b>100%</b>

Renewable Energy Services revenue mix

Particular	1HFY26		FY25		FY24		FY23	
	Amount (In Cr)	% of TR						
Capex Services	203	98.98%	362	96.18%	518	100.00%	455	100.00%
Carbon services	2	1.02%	14	3.82%	0	0.00%	0	0.00%
<b>Total Revenue</b>	<b>205</b>	<b>100%</b>	<b>377</b>	<b>100%</b>	<b>518</b>	<b>100%</b>	<b>455</b>	<b>100%</b>



Renewable Energy Power Sales by revenue mix

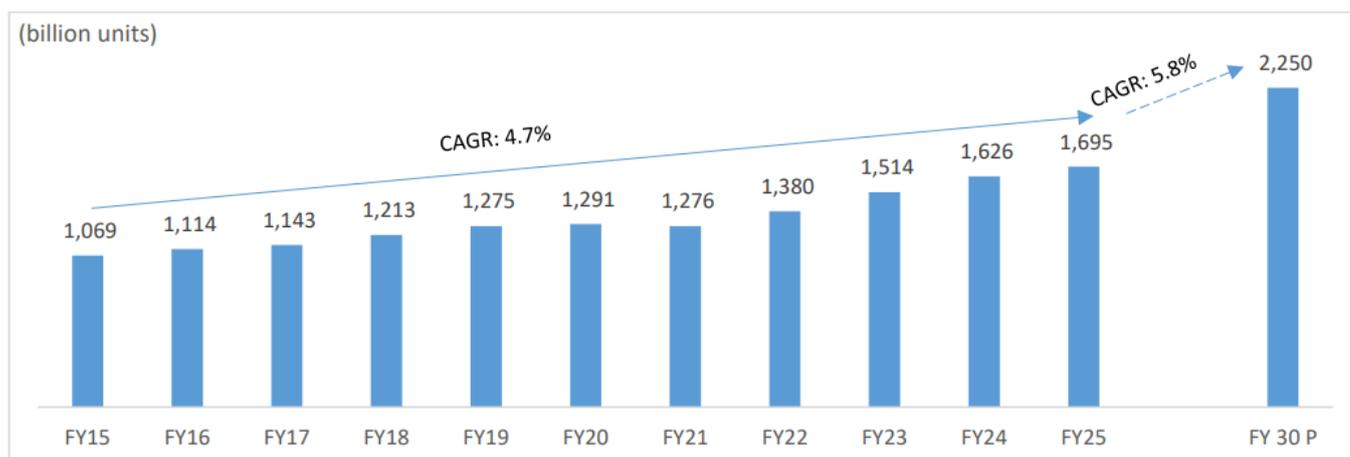
Particular	1HFY26		FY25		FY24		FY23	
	Amount (In Cr)	% of TR						
Onsite	111	15.43%	168	15.15%	136	15.72%	122	25.71%
STU Group Captive	378	52.49%	534	48.25%	343	39.54%	188	39.63%
STU Third Party, Open Access	231	32.08%	405	36.60%	388	44.74%	165	34.66%
<b>Total Revenue</b>	<b>719</b>	<b>100%</b>	<b>1,107</b>	<b>100%</b>	<b>866</b>	<b>100%</b>	<b>475</b>	<b>100%</b>

Operational and Planned Capacity (MW)

Particular	1HFY26	FY25	FY24	FY23
<b>Operational Capacity</b>				
Solar	368	339	303	268
STU Group Captive	1,402	882	567	253
STU Open Access	540	492	472	233
CTU	-	-	-	-
Capex Services	486	465	413	286
<b>Total</b>	<b>2,796</b>	<b>2,178</b>	<b>1,755</b>	<b>1,040</b>
<b>Contracted Capacity ( To be Excuted)</b>				
Solar	85	70	20	30
STU Group Captive	910	1,155	365	227
STU Open Access	28	65	20	247
CTU	1,421	1,421	-	-
Capex Services	94	60	31	77
<b>Total</b>	<b>2,538</b>	<b>2,770</b>	<b>436</b>	<b>581</b>
<b>Total Capacity</b>				
Solar	453	409	323	298
STU Group Captive	2,312	2,037	932	480
STU Open Access	568	556	492	481
CTU	1,421	1,421	-	-
Capex Services	580	525	444	363
<b>Total</b>	<b>5,334</b>	<b>4,948</b>	<b>2,191</b>	<b>1,621</b>

Industry Outlook

Figure 12: Energy requirement in India



P: Projected; Source: CEA, Crisil Intelligence



### Peers Comparison

Name of the company	Face Value (₹)	EPS	NAV (₹)	P/E (x)	RoNW(%)
Clean Max Enviro Energy Solution Ltd	1	2.79	251	NA	1.09
<b>Peers Group</b>					
ACME Solar Holdings Ltd	2	4.53	74.54	49.46	5.59
NTPC Green Energy Ltd	10	0.67	21.88	132	2.58
Adani Green Energy Ltd	10	8.37	58.63	119	13.48

### Company's Competitive Strength

- Comprehensive Suite of Customer-Centric Capabilities Leading to C&I Market Leadership and Strong Customer Relationships.
- Timely and Cost-Effective Project Development, Execution and Management Capabilities.
- Efficient capital allocation and risk management.
- The People and Culture.

### Key Strategies Implemented by Company

- Preserving the Core Purpose and Values.
- Evolving the Operating Practices and Strategies.

Particular (INR in Cr)	1HFY26	FY25	FY24	FY23
Equity Capital	10	5	4	4
Reserves and Surplus	2,657	2,558	1,829	1,207
Net Worth	2,667	2,563	1,833	1,211
Revenue	933	1,496	1,390	930
Growth (%)		8%	49%	
EBITDA	601	900	706	375
EBITDAM (%)	64%	60%	51%	40%
PAT	11	28	-20	24
PATM (%)	1.2%	1.9%	-1.4%	2.6%
ROE (%)	0.4%	1.3%	-2.0%	-5.3%



## Notes

### GEPL Capital Pvt. Ltd

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