



SMC Ranking
★ ★ ☆ ☆ ☆ (2/5)

Issue Highlights

Industry	Energy
Offer for sale (Shares)	18043684
Fresh Issue (Shares)	11396011
Net Offer to the Public	2,94,39,695.00
Issue Size (Rs. Cr.)	2943-3100
Price Band (Rs.)	1000-1053
Offer Date	23-Feb-26
Close Date	25-Feb-26
Face Value	1
Lot Size	14

Issue Composition

	In shares
Total Issue for Sale	2,94,39,695
QIB	1,47,19,848
NIB	44,15,954
Retail	1,03,03,893

Shareholding Pattern (%)

Particulars	Pre-issue	Post-issue
Promoters & promoters group	65.42%	49.37%
QIB	34.03%	37.56%
NIB	0.55%	4.27%
Retail	0.00%	8.80%
Total	100.00%	100.00%

*calculated on the upper price band

Objects of the Issue

The Company proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Repayment and/or pre-payment, in part or full, of all or certain outstanding borrowings of Company and/or certain of our Subsidiaries.
2. General corporate purposes

Book Running Lead Manager

- Axis Capital Limited
- J.P. Morgan India Private Limited
- BNP Paribas
- HSBC Securities and Capital Markets (India) Private Limited
- IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)
- Nomura Financial Advisory and Securities (India) PVT. Ltd.
- BOB Capital Markets Limited
- SBI Capital Markets Limited

Name of the registrar

- MUFG Intime India Private Limited

About the company

Incorporated in 2010, Clean Max Enviro is a leading provider of commercial and industrial (C&I) renewable energy solutions in India, offering end-to-end decarbonization and Net Zero solutions to corporate clients across sectors such as technology, data centres, manufacturing, infrastructure, and pharmaceuticals. The company is engaged in the development, ownership, and management of solar, wind, and hybrid renewable energy projects, and provides a comprehensive suite of services including renewable power supply, energy contracting, engineering, procurement and construction (EPC), operations and maintenance (O&M), and carbon credit solutions. As of October 31, 2025, Clean Max Enviro has an operational capacity of 2.80 GW, along with an additional 3.17 GW of contracted capacity under execution, supported by long-term power purchase agreements with creditworthy customers. Unlike traditional utility-scale developers, the company follows a customer-centric contracting model that enables premium pricing and fosters long-term client relationships, while maintaining a strong focus on capital efficiency, execution excellence, and supporting corporates in achieving their sustainability and decarbonization goals.

Strengths

Comprehensive Customer-Centric Capabilities Driving C&I Market Leadership and Strong Client Relationships: Clean Max Enviro's differentiated strength lies in its integrated, customer-focused capabilities and established leadership in the commercial and industrial (C&I) renewable energy segment. The company follows a solutions-led engagement model, managing the entire customer lifecycle through a dedicated global business development team and delivering tailored offerings such as onsite solar, offsite renewable power (STU and CTU), capex-based services, and carbon solutions to support clients in achieving their Net Zero goals. Its diversified geographic presence across multiple Indian states and international markets, robust ESG practices, and customer equity co-investment model further deepen client engagement. With long-term power purchase agreements averaging over 22 years, premium pricing versus utility-scale peers, high customer repeat rates, and a predominantly investment-grade client base, the company benefits from predictable cash flows, efficient receivable cycles, and diversified revenue streams, thereby supporting sustainable long-term growth.

Strong Project Development, Execution and Lifecycle Management Capabilities: Clean Max Enviro's in-house expertise across project development, execution, and asset management enables timely commissioning, cost optimization, and efficient plant performance. The company manages the full lifecycle of both onsite and offsite renewable energy projects, including site assessment, land acquisition, regulatory approvals, EPC, and O&M, supported by dedicated land, project

development, and asset management teams. Early-stage land and power evacuation capacity tie-ups, adoption of advanced technologies to reduce levelized energy costs, a diversified supplier ecosystem, and robust risk mitigation practices ensure projects are delivered within budget and operational targets. Its proven execution capabilities across STU- and CTU-connected farms, along with large-scale onsite solar installations across regions, enhance operational efficiency, reduce project risks, strengthen customer retention, and support scalable growth.

Disciplined Capital Allocation and Risk Management Framework: The company's prudent capital allocation strategy and structured risk management framework underpin strong project-level returns and financial resilience. Board-level oversight of key investments, focus on attractive unit economics with short equity payback periods, and a strong credit profile enable access to a diversified lender base at competitive financing terms. Its long-term financing approach aligns debt tenures with power purchase agreements, ensuring cash flow stability and healthy debt servicing. Capital efficiency is further enhanced through customer equity participation, strategic co-investments from global partners, and steady cash flows from its renewable energy services segment, which delivers stable margins, negative working capital benefits, and recurring O&M income—collectively improving returns while limiting capital intensity and financial risk.

People-Centric Culture and Talent Development: Clean Max Enviro places significant emphasis on talent development, fostering an inclusive and performance-driven culture that supports long-term organizational stability. The company actively recruits high-quality talent, promotes leadership development from within, and invests in continuous learning and skill enhancement initiatives. By encouraging employee engagement, ensuring workplace safety, enabling work-life integration, and maintaining merit-based career progression, it creates a collaborative environment aligned with its sustainability vision. Its team-based reward structure, including equity-linked incentives and ESOPs tied to both corporate and team performance, strengthens collaboration, enhances retention, and supports a high-performance culture marked by strong employee tenure.

Strategies

Strengthening Market Leadership while Preserving Core Purpose and Values: Clean Max Enviro aims to reinforce its leadership position in the commercial and industrial (C&I) renewable energy segment by expanding its presence across India's fast-growing green energy market. The company seeks to deepen engagement with both technology-driven enterprises and traditional industrial clients through cross-selling and customised energy solutions aligned with their decarbonization objectives. Growth will be driven by scaling renewable energy infrastructure in high-demand states, exploring selective international expansion opportunities, and targeting emerging sectors such as data centres, artificial intelligence, infrastructure, and manufacturing. In parallel, the company intends to enhance execution capabilities by strengthening its in-house project development, engineering, procurement and construction (EPC), and asset management functions, supported by digital monitoring tools and advanced technologies to improve operational efficiency, reliability, and cost control. The strategy also emphasizes the integration of environmental, social and governance (ESG) principles across project development and operations to enable sustainable value creation.

Enhancing Operational Practices and Portfolio Diversification: Clean Max Enviro plans to evolve its operating model by entering new growth segments and improving capital efficiency to support long-term scalability. The company intends to integrate battery energy storage systems (BESS) into its renewable energy portfolio to enhance power reliability and supply flexibility for customers, while simultaneously expanding its carbon services platform to capture opportunities in the global carbon markets. It also aims to broaden its renewable energy services segment by strengthening operations and maintenance offerings for wind assets, delivering comprehensive capex-based solutions, and exploring energy efficiency initiatives to deepen client engagement and diversify revenue streams. Additionally, the company will continue to adopt a disciplined capital allocation approach through co-investment partnerships with international investors, enabling improved project-level returns and optimal utilization of capital to drive sustainable growth.

Risk Factors:

- Limited experience in developing and commissioning CTU and ISTS projects may impact expansion and operational performance if execution challenges arise.
- Certain PPAs and EAPAs may not cover the full project life, and difficulties in renewing them on favourable terms could affect revenues and cash flows.
- Uncertainties in land titles in India may pose risks in identifying or rectifying ownership or lease-related irregularities.
- Selling power through exchanges exposes the company to price volatility, with limited prior experience in exchange-based transactions.
- The carbon services segment is relatively new, with no assurance of achieving expected growth or returns.
- Past non-compliance with provisions of the Companies Act, 2013 may expose the company to future regulatory actions or reputational risks.
- Increasing dependence on leased land may adversely affect operations if lease agreements are not renewed or are terminated early.
- Operational risks and potentially inadequate insurance coverage may result in financial exposure or higher future insurance costs.

Peer Comparison

Co_Name	Total Income	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
Adani Green	12049.00	1485.00	10.35	96.61	8.44	118.53	10	999.95	164709.38
ACME Solar Hold.	1962.08	482.97	8.28	27.89	2.92	78.94	2	230.90	13991.89
NTPC Green Ene.	2568.06	558.77	0.66	135.88	4.03	22.25	10	89.68	75567.32
Clean Max Enviro Energy Solutions	1752.18	31.91	2.73	386.22	2.67	394.03	1.00	1053.00	12325.29

*Peer companies financials are TTM based

Clean Max Enviro Energy Solutions financials are based on TTM

Valuation:

Considering the P/E valuation, on the upper end of the price band of Rs.1053, the stock is priced at pre issue P/E of 348.61x on TTM EPS of Rs.3.02. Post issue, the stock is priced at a P/E of 386.22x on its EPS of Rs.2.73. Looking at the P/B ratio at Rs.1053 pre issue, book value of Rs. 322.95 of P/Bvx 3.26x. Post issue, book value of Rs.394.03 of P/Bvx 2.67x.

Considering the P/E valuation, on the lower end of the price band of Rs.1000, the stock is priced at pre issue P/E of 331.07x on TTM EPS of Rs. 3.052. Post issue, the

stock is priced at a P/E of 366.78x on its EPS of Rs.2.73. Looking at the P/B ratio at Rs.1000 pre issue, book value of Rs. 322.95 of P/Bvx 3.10x. Post issue, book value of Rs.394.03 of P/Bvx 2.54x.

Industry Outlook:

The outlook for the renewable energy sector remains highly positive, supported by robust capacity additions, rising corporate demand, and favourable policy initiatives. The International Energy Agency (IEA) estimates that global renewable energy capacity will nearly double to exceed 7,300 GW by 2030, with solar and wind energy contributing close to 95% of this growth, driven by declining technology costs. In India, installed renewable capacity has already crossed 180 GW, while the government targets 500 GW of non-fossil fuel capacity by 2030, implying annual capacity additions of approximately 40–50 GW. Corporate adoption of renewable energy is also expected to increase significantly, with the share of renewables in the commercial and industrial (C&I) segment projected to rise from around 7% in FY23 to nearly 20% by 2030, supported by growing power demand, rising grid tariffs, and sustainability commitments. Additionally, the sharp decline in battery storage costs—down nearly 85–90% over the past decade—along with the expansion of the voluntary global carbon market, which is expected to reach \$20–25 billion by 2030, is likely to further accelerate sector growth. Despite challenges such as land acquisition constraints and grid infrastructure limitations, strong policy support, technological advancements, and increasing corporate participation position the sector for sustained long-term expansion.

Outlook

Clean Max Enviro is well positioned to benefit from rising corporate demand for renewable energy, supported by its strong C&I market leadership, long-term PPAs, and diversified project portfolio. However, risks such as limited CTU/ISTS execution experience, land title uncertainties, reliance on leased land, exchange price volatility, and the nascent carbon services segment may impact growth. Nevertheless, its disciplined capital allocation and expanding BESS and carbon solutions offerings support long-term scalability and cash flow visibility.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
IPO Open Date	Mon, Feb 23, 2026
IPO Close Date	Wed, Feb 25, 2026
Tentative Allotment	Thu, Feb 26, 2026
Initiation of Refunds	Thu, Feb 26, 2026
Credit of Shares to Demat	Fri, Feb 27, 2026
Tentative Listing Date	Mon, Mar 2, 2026

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 30-Sep-25 (3 Months)	Period ended 31-Mar-25 (6 Months)	Period ended 31-Mar-24 (12 Months)
Revenue from operations	932.95	1495.70	1389.84
Total expenditure	331.49	595.27	683.74
Operating Profit	601.47	900.43	706.10
OPM%	6.45	6.02	5.08
Other Income	36.39	114.64	35.47
Total Net Income	637.86	1015.07	741.57
Interest	416.08	662.89	504.38
PBDT	221.78	352.19	237.19
Depreciation	172.26	299.99	221.53
"PBT (Before share of profit of joint ventures and associate, exceptional items and tax)"	49.53	52.20	15.66
Share of profit of joint ventures and associate (net of taxes)	3.57	7.55	1.31
Restated profit before exceptional items and tax	53.10	59.75	16.96
Exceptional items	0.00	0.00	10.77
PBT	53.10	59.75	6.20
Tax	34.09	40.32	43.84
Profit & Loss	19.00	19.43	-37.64

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 30-Sep-25	As on 31-Mar-25	As on 31-Mar-24
Non-current assets			
Property Plant & Equipment	9350.21	7915.71	6609.88
Capital Work in-progress	3575.15	1912.54	677.47
Goodwill	20.71	19.96	0.00
Other Intangible Assets	161.01	124.19	39.40
Intangible assets under development	0.00	0.50	2.18
Investments accounted for using the equity method	24.61	20.74	68.87
Financial assets			
Investments	50.66	55.42	20.67
Loans	0.00	3.30	30.46
Other Financial Asset	449.18	443.08	292.52
Income Tax Assets	53.57	49.84	37.69
Deferred Tax Assets Net	381.26	254.53	225.23
Other non-current assets	736.25	610.29	65.57
Total non-current assets	14802.60	11410.08	8069.94
Current asset			
Inventories	32.05	52.08	39.96
Financial Assets	0.00	0.00	0.00
Investments	0.00	0.00	3.39
Trade receivables	219.49	188.07	251.75
Cash and cash equivalents	216.32	328.59	49.62
Bank balances other than C&C Equivalents	927.92	860.80	332.74
loans	24.56	3.00	0.78
Other Financial Assets	203.94	154.82	143.02
Other Current Assets	518.76	281.81	185.35
Total current assets	2143.05	1869.17	1006.61
Total Assets	16945.65	13279.25	9076.55
Non-current liabilities			
Financial liabilities			
Borrowings	9667.08	7126.84	5195.42
Lease Liabilities	168.08	98.37	50.39
Other financial Liabilities	37.74	12.69	1.32
Provisions	7.86	5.38	4.52
Deferred tax liabilities (net)	385.42	263.66	207.90
Other non-current liabilities	134.73	116.97	97.58
Total Non- Current liabilities	10400.91	7623.91	5557.13
Current liabilities			
Financial Liabilities			
Borrowings	454.38	846.86	319.15
Lease Liabilities	18.27	15.13	5.47
Trade Payables	0.00	0.00	0.00
"Total outstanding dues of micro enterprises and small enterprises; and "	33.04	71.56	28.14
Total outstanding dues of creditors other than micro enterprises and small enterprises	2183.70	1223.86	760.02
Other financial Liabilities	81.64	164.52	57.80
Other Current Liabilities	314.90	116.36	88.21
Current tax liabilities (net)	59.62	12.28	26.65
Total - Current Liabilities	3145.55	2450.57	1285.44
Total Liabilities	13546.46	10074.48	6842.57
Net worth represented by:			
Equity share capital	10.14	5.07	4.40
Other equity	2656.52	2558.41	1829.07
Non-controlling interests	732.52	641.29	400.51
Total Equity	3399.19	3204.77	2233.98

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