

# Clean Max Enviro Energy Solutions Ltd.

Nifty	25,454
Sensex	82,498

**ISSUE DETAILS**

<b>Issue opens</b>	23 <sup>rd</sup> Feb 2026
<b>Issue closes</b>	25 <sup>th</sup> Feb 2026
<b>Issue size</b>	Up to ₹3,100crs
<b>Type of issue</b>	Offer for Sale: ₹1900crs Fresh Issue: ₹1200crs
<b>No. of shares issued at upper price band</b>	2,94,39,696
<b>QIB (Institutional) Share</b>	Not more than 50% of the Net Offer
<b>Non-Institutional Share</b>	Not less than 15% of the Net Offer
<b>Retail Share</b>	Not less than 35% of the Net Offer
<b>Registrar</b>	MUFG Intime India Private Ltd
<b>Price band (₹/share)</b>	1000-1053
<b>Face value</b>	₹1 per share
<b>Bid lot</b>	14 Shares and in multiples
<b>Post Issue Implied Market Cap</b>	₹ 11,765 -- 12,325crs

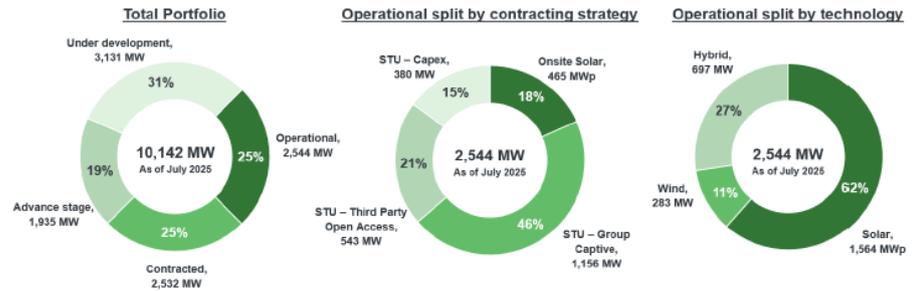
Listing: BSE &amp; NSE

Shareholding	Pre-Offer (%)	Post-Offer (%)
<b>Promoter &amp; Promoter Group</b>	65.4	43.6
<b>Public &amp; Others</b>	34.6	56.4
<b>Total</b>	100	100

**Business Overview**
**Business Model: "Decarbonization as a Service"**

Clean Max is a pioneer in the Commercial and Industrial (C&I) renewable energy sector in India. Its business model focuses on "Decarbonization as a Service" for corporate clients. Clean Max pioneered the "OPEX Model" (Energy-as-a-Service) in India. Unlike utility-scale giants (Adani/NTPC) that sell to government DISCOMs, Clean Max sells power directly to high-rated corporate clients.

- **Segment 1: Power Sales (Recurring Revenue):** Supplies solar, wind, and hybrid power via long-term PPAs (20–25 years). It handles both Onsite (Rooftop) and Offsite (Open Access) projects.
- **Segment 2: Renewable Energy Services (EPC & O&M):** Provides turnkey execution and lifecycle maintenance. It has a high repeat-customer rate (~77%), serving giants like Google, Apple, Amazon, and Tata Group.
- **Segment 3: Carbon Solutions:** Helping clients navigate Net Zero goals through carbon credit trading and environmental attribute certificates


 As on 31<sup>st</sup> July 2025 Source: DRHP

**Competitive Edge**

- **High-Quality Clientele:** Over 95% of its contracted capacity is with **Investment Grade (A and above)** customers, significantly reducing payment default risks common in the utility sector.
- **Brookfield Sponsorship:** Being backed by one of the world's largest infrastructure investors (Brookfield) provides access to low-cost global capital.
- **Regulatory Advantage:** Corporate PPAs generally offer higher tariffs than government tenders, leading to superior EBITDA margins (60%+)

**Brief profile of directors, senior management**

- **Kuldeep Jain (Promoter & Managing Director):** A former McKinsey partner, he founded Clean Max in 2010 and has been instrumental in scaling it into a market leader.
- **Pratap Jain & Nidhi Jain (Promoters):** Part of the founding promoter group providing strategic oversight.
- **Senior Management:** Supported by a professional team including **Ullash Parida** (Company Secretary & Compliance Officer) and a robust technical team managing over 1,300+ project sites globally.

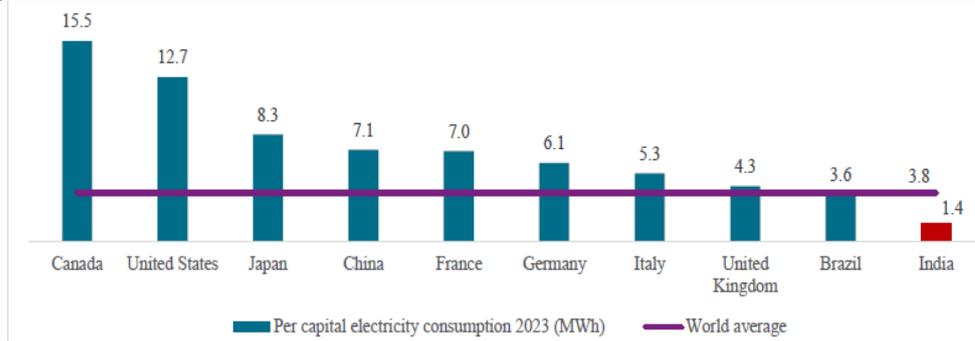
**INDUSTRY OVERVIEW**

The Indian C&I renewable energy market is witnessing rapid growth driven by corporate ESG mandates and falling technology costs.

- **Market Opportunity:** India's corporate sector accounts for nearly **50% of the country's electricity consumption**. The shift toward green energy is no longer just "green washing" but a financial imperative due to lower tariffs compared to grid power.
- **Hybridization Trend:** The industry is moving from standalone solar to **Wind-Solar Hybrids**, which offer a higher Capacity Utilization Factor (CUF), meeting a larger portion of a corporate's round-the-clock (RTC) power needs.

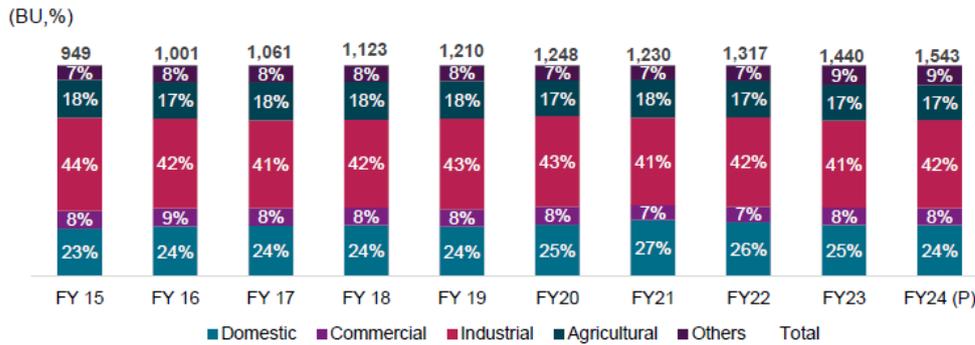
**Key trends shaping the industry include:**

**Per capita electricity consumption 2023, MWh**



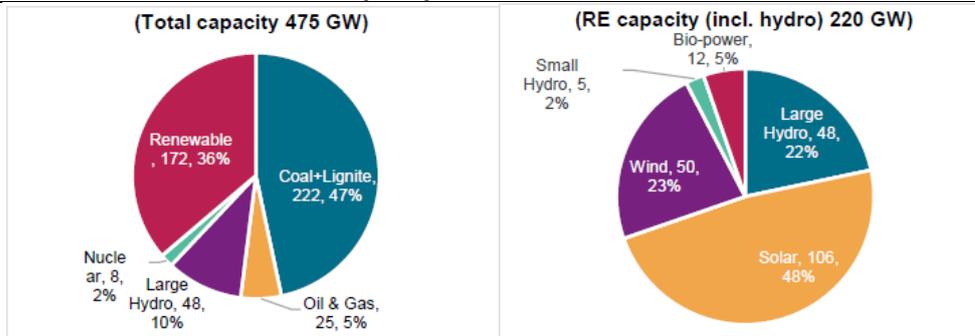
Source: World Bank, EIA

**Consumer segment-wise share of electricity sales in India**



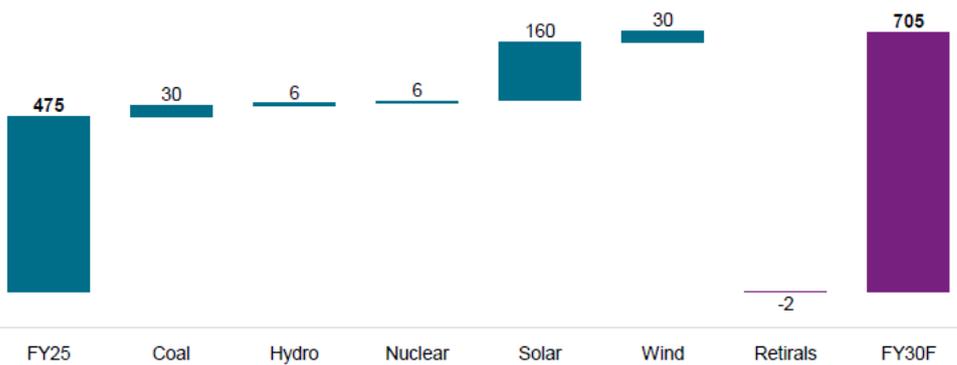
Source: CEA, Crisil Intelligence

**Installed capacity as of March 2025 (GW, %)**



Source: CEA, Crisil Intelligence

### Growth in India's electricity installed capacity, GW



Source: DRHP

- Above charts indicates that Indian electricity consumption will accelerate in coming years. As per the data, Commercial and Industrial segment demand share 50% of electricity consumption, in which renewable energy capacity is 36%.
- India's renewable energy story is entering a new chapter where the C&I segment serves as a primary driver of growth. The industry is responding to the dual pressures of rising electricity demand and the global push for decarbonization. As regulations become more favourable, we are seeing a definitive pivot in how the sector sources power, transitioning toward a model that balances reliability with environmental impact.

### Investment Rationale

- **Undisputed Market Leadership in the C&I Segment**
  - **Dominant Market Share:** Clean Max is recognized as India's largest renewable energy provider specifically for the Commercial and Industrial (C&I) segment.
  - **Scale of Operations:** As of July 31, 2025, the company has an operational, owned, and managed capacity of **2.54 GW**, with an additional **2.53 GW** of contracted capacity yet to be executed.
  - **First-Mover Advantage:** With nearly 15 years of experience (founded in 2010), the company has built a specialized niche in delivering net-zero and decarbonization solutions.
- **Blue-Chip Customer Base and High Repeat Business**
  - **High-Quality Counterparties:** The company serves large enterprises across diverse sectors, including data centers, AI, technology, and infrastructure.
  - **Customer Loyalty:** A significant portion of new contracted volumes comes from existing customers, which serves as a validation of the company's value proposition and service quality.
  - **Long-Term Revenue Visibility:** The average tenor of Power Purchase Agreements (PPAs) ensures steady and predictable cash flows over several decades.
- **Specialized Expertise in Complex RE Solutions**
  - **Diverse Technology Portfolio:** Clean Max specializes in a variety of renewable energy solutions, including onsite rooftop solar, offsite open-access solar, wind, and wind-solar hybrid projects.
  - **Hybridization Capability:** The ability to execute wind-solar hybrid projects allows the company to provide a higher Capacity Utilization Factor (CUF) to its clients, meeting a larger portion of their energy needs with green power.
  - **O&M Excellence:** The company manages its own operations and maintenance (O&M) infrastructure, ensuring high grid availability and plant performance.
- **Strong Institutional Backing and Strategic Promoters**
  - **Global Pedigree:** The company is backed by major global investors, including **BGTF One Holdings (DIFC) Limited** (linked to Brookfield), which provides access to international capital and best practices.
  - **Experienced Leadership:** Led by founder **Kuldeep Jain** (a former McKinsey partner), the management team has successfully navigated the evolving regulatory landscape of the Indian RE sector since 2010.

- **Financial Resilience and Profitable Pivot**
  - **Profitability Turnaround:** The company successfully pivoted to a profit of ₹194.29mn in Fiscal 2025, recovering from losses in previous years.
  - **Strong Operating Leverage:** Reported a robust EBITDA of ₹10,150.72mn for FY25, showcasing the scalability of its business model.
- **Strategic Positioning for ESG-Driven Demand**
  - **Decarbonization Focus:** Clean Max is perfectly positioned to capture the surging demand from corporate India as companies move toward mandatory "Net Zero" targets and Scope 2 emission reductions.
  - **Integrated Solutions:** Beyond just power supply, the company offers energy services and carbon credit solutions, making it a "one-stop shop" for corporate sustainability

## Valuation

Based on the DRHP financial data for the year ended March 31, 2025:

- Adjusted PAT for FY25 was ₹194.29mn. **Earnings Per Share (EPS):** Basic EPS stood at ₹2.88.
- **EBITDA:** Reported a strong EBITDA of ₹10,150.72mn for FY25, showcasing high operating leverage includes other income. Adjusted EBITDA is at ₹9,000.31 mn for FY25.

Clean Max is being priced at a premium to ACME Solar but at a discount to Adani Green. Its **Price-to-Book (4.2x)** is comparable to NTPC Green, but Clean Max offers higher margin potential due to its private-sector focus. Subscribe for the long term. The transition of corporate India to green energy is a structural theme, and Clean Max is the primary vehicle to play this trend.

## Peer Comparison

- **Adani Green Energy:** Primarily utility-scale; trades at very high P/E multiples due to massive capacity.
- **NTPC Green Energy:** A comparable new listing; focuses on government PPAs with lower tariffs but higher scale.
- **Clean Max Advantage:** While smaller than Adani or NTPC, Clean Max enjoys **higher EBITDA margins** (due to corporate tariffs) and a cleaner balance sheet post-IPO compared to its high-growth utility peers

Company	P/B Ratio	P/E Ratio	Business Focus
Clean Max Enviro	~4.2x	N/A	100% C&I (Private)
Adani Green	~10.7x	~230x	Utility & C&I
NTPC Green	~4.2x	~132x	Utility Scale (Govt)
ACME Solar	~3.0x	~49x	Diversified EPC

Source: LSEG

## Key Financial Highlights

- **Growth Drivers:** The company has an operational capacity of 2.80 GW and an additional 3.17 GW under contract as of late 2025.
- **Profitability Pivot:** After years of expansion-related losses, the company turned profitable in FY25. The fresh issue proceeds (₹1,122crs) are earmarked for debt repayment, which will drastically reduce interest costs and boost PAT margins in FY27

## Key Risks

- **Regulatory Changes:** Open Access charges and "Green Energy" banking rules by state governments can impact PPA viability.
- **Debt Levels:** Even post-IPO, the debt-to-equity remains moderately high as they build out the 3GW+ pipeline.
- **Execution Risk:** Delays in land acquisition or grid connectivity for the "offsite" hybrid projects

**Financials**

Particulars	(₹ mn)		
	FY25	FY24	FY23
<b>Revenue from operations</b>	<b>14,957</b>	<b>13,898</b>	<b>9,296</b>
(a) Cost of materials consumed and cost of services	4,073.22	4,496.10	4,271.57
(b) Purchase of traded goods	26.35	13.60	
(c) Employee benefits expense	1,046.82	1,584.47	675.06
(d) Other expenses	806.31	743.19	603.97
<b>Total expenses</b>	<b>5952.7</b>	<b>6837.36</b>	<b>5550.6</b>
<b>Adj. EBITDA</b>	<b>9004.31</b>	<b>7060.64</b>	<b>3745.4</b>
EBITDA Margin	<b>60.2%</b>	<b>50.8%</b>	<b>40.3%</b>
Depreciation, amortisation and impairment expenses	2,999.90	2,215.32	1,176.15
EBIT	6004.41	4845.32	2569.25
Finance costs	6,628.87	5,043.84	2,172.22
Other income	1,146.41	354.72	313.97
Exceptional items		107.66	891.90
<b>PBT</b>	<b>521.95</b>	<b>48.54</b>	<b>-180.9</b>
<b>tax expense</b>	<b>403.18</b>	<b>438.39</b>	<b>433.18</b>
<b>PAT</b>	<b>118.77</b>	<b>-389.85</b>	<b>-614.08</b>
Share of profit of joint venture and associate (net of taxes)	75.52	13.05	19.53
<b>Adjusted PAT</b>	<b>194.29</b>	<b>-376.8</b>	<b>-594.55</b>
Other comprehensive income/(loss) for the year (net of tax)	24.71	(1.98)	(4.28)
<b>Total comprehensive income/(loss) for the year</b>	<b>219</b>	<b>-378.78</b>	<b>-598.83</b>
<b>EPS</b>			
- basic	2.88	(3.94)	(9.01)
- diluted	2.79	(3.94)	(9.01)

Source: DRHP

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**Disclosure of Interest Statement: Clean Max Enviro Energy Solutions Ltd. as on 20<sup>th</sup> February 2026**

Name of the Security	Clean Max Enviro Energy Solutions Ltd.
Name of the analyst	Dhananjay Kansara
Analysts' ownership of any stock related to the information contained	NIL
Financial Interest	
Analyst :	No
Analyst's Relative : Yes / No	No
Analyst's Associate/Firm : Yes/No	No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL

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