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CLEAN MAX ENVIRO ENERGY SOLUTIONS LIMITED

LONG TERM SUBSCRIBE

IPO Report

22nd Feb'26

Snapshot

Company is India's largest commercial and industrial ("C&I") renewable energy provider with 2.80 GW of operational, owned and managed capacity, and 3.17 GW of contracted, yet to be executed capacity, as of October 31, 2025. With 15 years of experience since company's inception in 2010, company specialize in delivering Net Zero10 and decarbonization solutions, including supplying renewable power and offering energy services and carbon credit solutions to customers across data centres, AI and technology industries ("**Technology customers**"); and C&I enterprises across a range of sectors, including infrastructure, cement, steel, industrial manufacturing, FMCG, pharmaceuticals, real estate, and global capability centres ("**Conventional C&I customers**").

VALUATION

Company is bringing the issue at price band of Rs 1000 per share at p/e multiple of more than 300x on post issue FY25 PAT basis. Company has comprehensive suite of Customer-Centric Capabilities leading to C&I Market leadership and Strong Customer relationships. Also, company has timely and Cost-effective project development, execution and management capabilities along with efficient capital allocation and risk management.
.Hence, we recommend " Long Term Subscribe " to issue.

Price Band (Rs./Share)	**1000-1053**
Opening date of the issue	**23rd Feb '2026**
Closing Date of the issue	**25th Feb '2026**
No of shares pre issue	10,56,53,268 Eq Shares
Issue Size	Rs 3100 Cr
Offer For Sale	Rs 1900 Cr
Fresh issue	Rs 1200 Cr
Face Value (Rs/ share)	Rs 1/share
Bid Lot	14
Employee Discount	Rs 100/share
BIDDING DETAILS	
QIBs (Including Anchor)	50% of the offer (Approx 1,45,77,397 eq Shares)
Non-Institutional	15% of the offer (Approx 43,73,220 eq Shares)
Retail	35% of the offer (Approx 1,02,04,179 eq Shares)
Employee Reservation	7,36,196 Eq Shares
Lead managers	Axis Capital, J.P. Morgan India, BNP Paribas, HSBC Securities, IIFL Capital, Nomura Financial, BOB Capital Markets, SBI Capital Markets
Registrar to the issue	MUFG Intime India

WHAT WE LIKE

Comprehensive Suite of Customer-Centric Capabilities Leading to C&I Market Leadership and Strong Customer Relationships

As Fractal offers services across the DAAI value chain, the overall DAAI market can be interpreted as Fractal's total addressable market ("**TAM**"), valued at an estimated US$143 billion (₹12 trillion) in Fiscal 2025 and is estimated to grow at a CAGR of 16.7% to reach US$310 billion (₹23 trillion) by Fiscal 2030 .To reduce their reliance on multiple partners across the DAAI value chain, enterprises, especially large buyers (with annual revenue > US$5 billion or > ₹418 billion), prefer to engage with a single partner for AI solutions.

Timely and Cost-Effective Project Development, Execution and Management Capabilities

With 53 professionals across its offices in India, United Arab Emirates and Thailand, company's dedicated business development team manages the entire customer lifecycle, from initial engagement and bespoke contract structuring to co-ordination during project execution, commissioning and ongoing project operation, across a distributed customer base, comprising 555 customers and 1,198 PPAs and contracts, as of September 30, 2025. With average sizes of company's group captive models at 24.08 MW per customer and 12.50 MW per PPA, company's business model emphasizes on smaller, customer-centric engagements that diversify risk across clients, sectors, and geographies

Efficient capital allocation and risk management

Company reviews and oversees large-scale projects through a Board committee, and small-scale projects through a committee comprising of KMPs. These committees set specified targets for each of company's projects. Company was rated as CARE A+ Positive as of September 30, 2025 pursuant to a credit ratings letter dated November 6, 2024, which is valid. Company's credit ratings enable it to secure financing on competitive terms and access a larger pool of lenders.

COMPANY BACKGROUND

Company's expertise spans across providing energy contracting, engineering, procurement and construction ("**EPC**") services, and operation and maintenance ("**O&M**") services of renewable energy plants including solar, wind and hybrid plants, within company's customer's premises ("**Onsite**") and within CleanMax-developed renewable energy (solar, wind and hybrid) farms ("**Offsite**"). Company also provide end-to-end decarbonization solutions to customers such as turnkey development, O&M solutions for renewable energy power plants and carbon credits solutions. Company is committed to being a Net Zero partner to corporates, driven by a client-first culture, execution excellence, focus on capital efficiency and its people and culture.Company is one of the early movers in the C&I renewable energy sector in India, having played a key role in shaping the evolution of the industry and its operating models. Company had a market share of 8% and 12% of the annual open access renewable energy capacity additions in Fiscal 2025 and Fiscal 2024, respectively, for C&I in the Indian market, with a higher market share in the states of Gujarat and Karnataka, where the majority of company's Operational Capacity was present during Fiscal 2024.

Company's business model is distinct from utility-scale renewable energy developers, as company do not participate in competitive tenders with state-owned distribution companies or central government utilities, which award projects solely based on the lowest tariff bids. Instead, company pursue customer-specific contracting by tailoring projects for corporate consumers' needs and selling energy generated from company's solar, wind, and hybrid renewable energy farms. This business model has enabled company to foster relationships with 555 customers as of September 30, 2025, with 71.72% of company's Contracted Capacity for the six months period ended September 30, 2025 being attributable to demand from repeat customers. In addition, it has enabled company to price company's offerings at a premium, as compared to large utility-scale peers.

Company's long-term relationships with its key customers allow company to grow along with its customers, as company support their growing decarbonization requirements. Company's key customer cohorts consist of players from high growth industries of data centres, AI and technology. Company also have Conventional C&I customers spanning a range of sectors, including infrastructure, industrial manufacturing and real estate. As of September 30, 2025, 94.72% of company's customers have a credit rating of "A-" or above by rating agencies in India, such as CARE, India Ratings and CRISIL, or are subsidiaries of multinational corporations with such credit ratings, which enables company to minimize counterparty risk. Through company's disciplined contracting practices, company have built a portfolio of PPAs with a weighted average tenure of 22.85 years, and average lock-in period of 16.86 years, as of September 30, 2025.

Company's Offerings

Company offer a range of renewable energy offerings to its customers across geographies through its two business segments:

(i) Renewable Energy Power Sales Segment; and (ii) Renewable Energy Services Segment.

OBJECTS OF OFFER

The Fresh Issue

The net proceeds of the Fresh Issue, i.e., Gross Proceeds of the Fresh Issue less the Company's share of the Offer related expenses ("Net Proceeds") are proposed to be utilised in the following manner:

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

RISKS

In Fiscals 2024 and 2023, company incurred restated loss for the year of ₹376.43 million and ₹594.73 million respectively and generated profits in Fiscal 2025 and during the six months ended September 30, 2025 and September 30, 2024. Further, some of company's Subsidiaries have incurred losses in the six months ended September 30, 2025 and Fiscals 2025, 2024 and 2023. If company is unable to generate adequate cash profits and make scheduled loan repayments, it may not be able to maintain profitability.

Source:RHP

Consolidated Financials

(Rs in Mn)

Financials	FY23	FY24	FY25	H1FY26
Total Revenue (A)	9295.82	13898.37	14957.01	9329.53
Total Expenditure (B)	5550.60	6837.36	5952.7	3314.87
EBIDTA	3745.22	7061.01	9004.31	6014.66
EBIDTA Margin	40.29	50.80	60.20	64.47
Other Income	313.97	354.72	1146.41	363.92
Depreciation	1176.15	2215.32	2999.90	1722.57
EBIT	2883.04	5200.41	7150.82	4656.01
Interest	2172.22	5043.84	6628.87	4160.75
PBT	710.82	156.57	521.95	495.26
Share of profit in Asso	19.53	13.05	75.52	35.69
PBIT	730.35	169.62	597.47	530.95
Exceptional	891.90	107.66	0.00	0.00
PBT	-161.55	61.96	597.47	530.95
Tax	433.18	438.39	403.18	340.91
PAT	-594.73	-376.43	194.29	190.04
NPM	-6.40	-2.71	1.30	2.04
ROE%	-5.39	-1.70	1.09	0.43
EPS	-9.01	-3.94	2.88	1.09
Eq Cap	36.27	43.99	50.72	101.44
Net Worth	14,687.56	22,339.79	32,047.73	33,991.87

(Source: RHP)

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