

REPORT ON STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors

Clean Max Enviro Energy Solutions Limited

(Formerly known as Clean Max Enviro Energy Solutions Private Limited)

4th Floor, The International,
16 Maharshi Karve Road,
New Marine Lines Cross Road No.1,
Churchgate, Mumbai 400 020

4 December 2025

Subject: Statement of possible special tax benefits (“the Statement”) available to Clean Max Enviro Energy Solutions Limited (Formerly known as Clean Max Enviro Energy Solutions Private Limited) (“the Company”) and its shareholders, prepared in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“the ICDR Regulations”)

This report is issued in accordance with the Engagement Letter dated 14 October 2025 and subsequent addendum dated 6 November 2025.

We hereby report that the enclosed Annexure I prepared by the Company, initialed by us for identification purpose, states the possible special tax benefits available to the Company and its shareholders under direct and indirect taxes (together the “Tax Laws”), presently in force in India as on the signing date, which are defined in Annexure II (List of Direct and Indirect Tax Laws (“Tax Laws”)) prepared by the Company, initialed by us for identification purpose. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure I cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure I and its contents is the responsibility of the management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company (the “Proposed Offer”) particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

B S R & Co. LLP

Clean Max Enviro Energy Solutions Limited

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We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (“Guidance Note”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. Our scope of work did not involve performance of any audit test in this context of our examination. Accordingly, we do not express an audit opinion.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

- i) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or
- ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this report, except as per applicable law.

We hereby give consent to include this report in the Red Herring Prospectus, the Prospectus and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 101248W/W-100022

Aniruddha Godbole

Partner

Mumbai

4 December 2025

Membership Number: 105149

ICAI UDIN: 25105149BMLXBI2987

ANNEXURE I

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO CLEAN MAX ENVIRO ENERGY SOLUTIONS LIMITED (FORMERLY KNOWN AS CLEAN MAX ENVIRO ENERGY SOLUTIONS PRIVATE LIMITED) (“THE COMPANY”) AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES (“TAX LAWS”)

Outlined below are the Possible Special Tax Benefits available to the Company and its shareholders under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE TAX LAWS

A. *Possible Special tax benefits available to the Company*

CERTAIN DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 :

The statement of tax benefits outlined below is as per the Income-tax Act, 1961 read with Income Tax Rules, circulars, notifications (“Income Tax Law”), as amended from time to time and applicable for financial year (‘FY’) 2025-26 relevant to assessment year (‘AY’) 2026-27. These direct tax benefits are dependent on the Company fulfilling the conditions prescribed under the Income Tax Law. Hence, the ability of the Company to derive the direct tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

1. Lower corporate tax rate under Section 115BAA of the Income-tax Act, 1961 (“the Act”):

As per Section 115BAA of the Income-tax Act, 1961 (‘the Act’), with effect from Financial Year 2019-20 (i.e. AY 2020-21), a domestic company has an option to pay income tax in respect of its total income at a concessional tax rate of 22% (plus surcharge of 10% and 4% cess) provided the company does not avail any specified exemptions/ incentives/ deductions or set-off of losses/ unabsorbed depreciation etc., claims depreciation in the prescribed manner and complies with the other conditions specified in Section 115BAA of the Act.

In case a company opts for Section 115BAA of the Act, provisions of Minimum Alternate Tax (‘MAT’) under Section 115JB of the Act would not be applicable and MAT credit of the earlier year(s) will not be available.

The option needs to be exercised in a particular AY/FY in the prescribed manner on or before the due date of filing the tax return. The option once exercised, shall apply to subsequent AYs and cannot be subsequently withdrawn for the same or any other AY. Further, if the conditions mentioned in Section 115BAA of the Act are not satisfied in any AY, the option exercised shall become invalid in respect of such AY and subsequent AYs, and the other provisions of the Act shall apply as if the option under Section 115BAA had not been exercised.

The Company has opted to pay tax as per rates prescribed under Section 115BAA of the Act for AY 2026-27.

2. Deduction from Gross Total Income

Deduction in respect of inter-corporate dividends – Section 80M of the Act:

With respect to a shareholder which is a domestic company as defined in Section 2(22A) of the Act, Section 80M of the Act inter alia provides that where the gross total income of a domestic company in any FY includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of the said section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the “due date”. For the purposes of the section, “due date” means the date one month prior to the date for furnishing the income-tax return under Section 139(1) of the Act.

The Company is entitled to claim such deduction subject to fulfilment of conditions specified under Section 80M of the Act even if it has opted under the concessional regime under Section 115BAA of the Act.

Deduction in respect of employment of new employees – Section 80JJAA of the Act:

As per Section 80JJAA of the Act, while computing income under the head business and profession in case of an assessee to whom Section 44AB (i.e., tax audit) applies, a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in the FY, shall be allowed for three AYs including the AY relevant to the FY in which such employment is provided. The Company is entitled to claim such deduction subject to fulfilment of conditions specified under Section 80JJAA of the Act even under the concessional regime under Section 115BAA of the Act. We have been given to understand that the Company has not availed this deduction for FY 2024-25.

SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

1. Exemption from Goods and Services Tax on Renewable Energy Supply:

We understand that Company is engaged in generation of power using renewable energy sources such as solar and wind. As per Entry no. 104 of Notification No. 2/2017 - Central Tax (Rate) dated June 28, 2017, Company is availing GST exemption on supply of electrical energy.

B. Possible Special tax benefits available to Shareholders

SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY :

Section 2(42A) of the Act provides that securities listed in a recognized stock exchange in India that are held for not more than 12 months immediately preceding the date of its transfer, shall constitute short-term capital assets.

As per Section 111A of the Act, short term capital gains arising from the transfer of an equity share in a company transacted through a recognized stock exchange and chargeable to Securities Transaction Tax (‘STT’) shall be taxed at 20% (plus applicable surcharge and cess) (provided the short-term capital gains exceed the basic threshold limit of exemption, where applicable) subject to fulfilment of prescribed conditions under the Act.

Further, as per Section 112A of the Act, long-term capital gains exceeding INR 1,25,000 arising from the transfer of equity shares in a company transacted through a recognized stock exchange on which STT has been paid on acquisition (except in certain situations) and on transfer, shall be chargeable to tax at the rate of 12.5% (plus applicable surcharge and cess) without applying the benefit under the first and second provisos to Section 48 of the Act.

The condition of STT shall not apply to a transfer undertaken on a recognized stock exchange located in any IFSC and where the consideration for such transaction is received or receivable in foreign currency.

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholder, deduction under Section 80M of the Act would be available on fulfilling the conditions specified under the provision of the Act.

Further, as per Section 194 of the Act, the Company is required to deduct tax at source from the amount of dividend paid to resident shareholders, except in the case of certain categories of shareholders as specified in the said section which inter alia include individual shareholders receiving dividend not exceeding INR 10,000 (in aggregate during a FY) by any mode other than cash. The shareholders would be entitled to take credit of the Tax Deducted at Source by the Company against the taxes payable by them on dividend income.

Section 195 of the Act would be applicable for taxability of non-resident shareholders in respect of receipt of dividend income in India.

Finance Act, 2023 has amended Section 115BAC of the Act to provide that with effect from FY 2023-24 relevant to AY 2024-25, Individuals, HUF, Association of Persons (other than a co-operative society), Body of Individuals and Artificial Juridical Person will be taxed on its total income at the reduced tax rates ('New Tax Regime'). The income would however have to be computed without claiming prescribed deductions or exemptions. Such person will however have the option to be taxed on its total income as per the tax rates under the old tax regime. The option 189 is required to be exercised – (i) on or before the due date specified under Section 139(1) of the Act for furnishing the income-tax return for such AY, in case of a person having income from business or profession and such option once exercised shall apply to subsequent AYs; or (ii) along with the income-tax return to be furnished under Section 139(1) of the Act for every AY in case of a person not having income from business or profession.

A person having income from business or profession who has exercised the option of shifting out of the New Tax Regime shall not be able to exercise the option of opting back to the New Tax Regime till he has business income. However, a person not having income from business or profession shall be able to exercise this option every year.

SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY

Shareholders of the Company are not eligible to special indirect tax benefits under the provisions of the Central Goods and Services Act 2017 (read with Central Goods and Services Tax rules, circulars, notifications), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax rules, circulars, notifications) Union Territory Goods and Services Tax Act, 2017 (read with Union Territory Goods and Services Tax rules, circulars, notifications), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications), Special Economic Zones Act, 2005, and State Incentive Scheme to promote setting up of Renewable plants under the State Departments.

NOTES:

1. The above is as per the current Tax Laws in force in India.
2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
3. In respect of non-resident shareholders, the taxation and tax rates discussed above may be further subject to any benefit available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile. Applicability of DTAA benefit shall be subject to furnishing of relevant documents/declarations viz. tax residency certificate, Form 10F, etc. by the non-resident shareholders.
4. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

For **Clean Max Enviro Energy Solutions Limited** (Formerly known as Clean Max Enviro Energy Solutions Private Limited)

*Signed for identification
For **B S R & Co. LLP**
Chartered Accountants*

Nikunj Ghodawat
Chief Financial Officer

Aniruddha Godbole
Partner

Mumbai
4 December 2025

Mumbai
4 December 2025

ANNEXURE II

LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No:	Details of Tax Laws
1.	Income-tax Act, 1961 and Income-tax Rules, 1962
2.	Central Goods and Services Tax Act, 2017
3.	Integrated Goods and Services Tax Act, 2017
4.	State Goods and Services Tax Act, 2017

For **Clean Max Enviro Energy Solutions Limited** (Formerly known as Clean Max Enviro Energy Solutions Private Limited)

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For BSR & Co. LLP
Chartered Accountants*

Nikunj Ghodawat
Chief Financial Officer

Mumbai
4 December 2025

Aniruddha Godbole
Partner

Mumbai
4 December 2025