



“Clean Max Enviro Energy Solutions Limited  
Q3 FY26 Earnings Conference Call”

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**Moderator:** Ladies and gentlemen, good day and welcome to the Q3 FY26 Earnings Conference Call of Clean Max Enviro Energy Solutions Limited, hosted by Axis Capital. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Sumit Kishore from Axis Capital to introduce CleanMax and its management. Thank you and over to you, Mr. Kishore.

**Sumit Kishore:** Thank you, Michelle. Good afternoon, ladies and gentlemen. On behalf of Axis Capital, it is my pleasure and privilege to welcome you all for the maiden conference call of Clean Max Enviro Energy Solutions Limited after its recent listing on the Indian bourses. CleanMax is India's largest pure-play commercial and industrial renewable energy company with more than 15 years of operations. They have a mission to be a net zero partner for corporates.

They supply renewable power and offer energy services and carbon credits to customers across data centers, AI, and technology industries and C&I enterprises across a range of conventional sectors. We have with us the management team of CleanMax, which is represented by Mr. Kuldeep Jain, Managing Director, and Mr. Nikunj Ghodawat, the Chief Financial Officer. The call will start with a brief management discussion on the earnings performance for Q3 and nine month FY26, followed by an interactive Q&A session. Without further ado, let me hand over the proceedings to Kuldeep. Over to you, sir.

**Kuldeep Jain:** Thank you very much, guys. We've got a presentation here which is coming up. All right, let's go next page. So, there is a disclaimer statement here and all our pronouncements and presentations are subject to it. We would urge you all to look at it. Next. The agenda is broken up into four parts today and I'll take us through the first two and my colleague Nikunj, our CFO, will take us through the financial results section.

The key highlights, we've got five points to make. The first one is if we look at the results for the nine months ended Dec'25, there is a 33% year-on-year growth in EBITDA. This is driven by two things. One is a 26% increase in power sales revenue growth. So, there's a revenue growth coupled with, you know, the margins have been better, so our power sales EBITDA margins have risen from 81% to 83% due to operating leverage.

And the EBITDA, if you look at for the quarter itself, which is Sep to Dec'25 versus Sep to Dec'24, that has increased 40% from INR 220 crores to INR 307 crores. So on the nine-month basis 33% growth and on the one quarter to prior year same quarter basis 40% growth in EBITDA. Second is our weighted average interest rates have fallen from 9.2% at the start of the fiscal to about 8.7% as of Dec'25, and there's an increase in the reported profit after tax from INR 2 crores for the first nine months in the prior fiscal to about INR 40 crores for the first nine months in this fiscal.

The second point is, overall we are a leader in India's C&I segment. We have 5,700 MW or 5.7 GW of contracted, where we have power purchase agreements in place of what is called RE power sales capacity where we are going to sell the energy. So that's 5.7 GW of contracted RE power sales and this number has grown 3x, i.e., 300% in the last two years.

So, you know, 31st March 24 it was 1.75 GW, now 5.7 GW. And this is then comprised of two parts. Part one is how much of that we have already commissioned, which is the operational capacity of 3 GW. This represents in capacity terms a 76% increase over a year prior. And in addition, there is therefore another 2.7 GW which we have already contracted but is under execution. These all numbers are for power sales business.

So therefore in the first 11 months of this fiscal, which is April 1 to 1st March 2026, we have commissioned about 1.3 GW of capacity. You know, 1,300 MW of energy sales capacity has been commissioned in the first 11 months of this fiscal, which is 85% solar and 15% wind. Data and AI are a big part of our contracted volume, so about 42% of the 5.7 GW of renewable energy power sales is data and AI.

And in fact, the first 500-MW CTU-connected plant in Bikaner to supply environmental energy offsets to technology customers has also been commissioned very recently. And lastly, we have also operationalized a majority, i.e., 51% CleanMax owned partnership with Osaka Gas, which has seen during the financial year an investment, an equity investment of INR 176 crores from Osaka Gas for a 49% stake in our joint venture together. So, these are just a few of the key highlights.

I'll now present some detailed pages to take us through some of this. On this page I'd like to make three points. First is we have a starting base of about 1.7 GW of operational energy sale capacity at the start of the financial year. We have added 1.3 GW to it, which represents about a 76% growth in terms of capacity added versus the base at the start.

The second thing I would like to highlight here is we have many diverse growth sources across states. So many states are now contributing to this and as a result, the relative concentration has declined. So, our top two states like Karnataka and Gujarat were at the start of the fiscal 68% of our capacity and by 1st March they are now about 54% of the capacity and also the first CTU-connected plant of 525 MWp in Rajasthan stands commissioned.

This page has a few highlights. One is if you look at the renewable energy power sales, you look at the total contracting capacity, that has grown nearly 3x from 1.7 GW as of 31st March 2024 to 5.7 GW. So about 4,000-MW expansion in slightly less than two years, so about 2,000 MW a year is our sort of incremental contracting rate.

Second, the bottom half of the page shows then the RE services business capacity. This is where the customer owns the plant and we have performed EPC and O&M for that C&I customer in our solar farm. There also the capacity numbers are provided and therefore the total portfolio of contracted capacity is about 6.5 GW and the mix overall remains at 70% solar and 30% wind.

I'll take one slide to highlight some key facts from our financial results. First is EBITDA growth of 33% for the first nine months and when you look at just on a quarter versus corresponding quarter basis it's about 40% growth.

Second is this is driven by both revenue growth as well as higher EBITDA margins in both business segments. So RE power sales segment the EBITDA margins have grown from 81% to 83% and RE services segment also the EBITDA margins have grown from 15% to 22%. The last point I'd like to highlight is on the bottom right-hand corner of this page which is the reported profit after tax has grown from about INR 2 crores for the first nine months last fiscal to about INR 40 crores for the first nine months in this fiscal.

Next page. So, this capacity that we put up has to translate into run-rate EBITDA and this page seeks to explain both the run-rate EBITDA as well as the corresponding net debt to that, so all of you can look it up and understand as of 1st March 2026. So, in the first 11 months of the fiscal, we have added about INR 650 crores of run-rate EBITDA. This is in addition to the starting point which was INR 1,140 crores of run-rate EBITDA or represents a 57% growth in sort of the run-rate EBITDA number. And the corresponding net debt figures to each of these capacities are also provided and the chart also shows some assumptions behind those.

Some more key business updates in the subsequent pages. Right, the first one is Data and AI continues to be a big growth driver for us. It's 42% of our contracted capacity and interestingly this number has risen nearly 10 times, 10x growth in slightly less than two financial years from 31st March 2024 to about 1st March 2026. And we have added several new Data and AI clients such as Iron Mountain, L&T Data, Princeton Digital Group, as well as more volumes for existing clients like STT data centers.

Our conventional C&I customers have also grown. So, you know, non-data AI customers which we call conventional customers have also - the contracted volumes with them have doubled in less than two financial years, which is great growth in itself and we have had many repeat customers such as UltraTech, Apar, BASF, many others, as well as new customers such as GACL and CEAT to just name a few.

Let's look at the next page to understand a bit of a breakup of the contracting performance. Right, firstly we have about 2.7 GW of RE power sales capacity which is contracted as of 1st March and is under execution. So you know, it's an indicator of future growth, that 2.7 GW is contracted and under execution. Second point is that in just the first 11 months of this year we have contracted an additional 1.3 GW of RE power sales capacity.

And the last point is a guidance that we are issuing as a management that we believe we will put up about 1.5 GW of RE power sales capacity in the next fiscal. Right, on the right hand side of the page we are showing some of the drivers of this contracting business performance. First driver is that we continue to have high success with our existing base of clients.

CleanMax has more than 570 clients and every year about three fourths of our new volume growth comes from the same clients. So that's always a key business parameter for us. Second

is our business is, you know, relatively unchanged in the sense that we serve the biggest and best corporates. So about 83% of the MWs contracted are with AA, AAA, or multinationals, 14% is with A rated, so about 97% of our volumes are with A rated or above.

The receivable days continue to be at a very manageable number. And the last point is we've had strong contracting discipline and performance. So the tenor of the PPA continues to be high across I think nearly 1,200 power purchase agreements. The weighted average tenor is about 23 years. And for the 2.7 GW that we have contracted and is under execution, the tariff continues to be very respectable at INR 3.84, you know, so that's some numbers on our contracting or sales performance.

The next slide shows some numbers on our projects and execution performance which I would like to take us through. First metric is what is the capacity commissioned in the trailing 12 months. This is a good indicator of how we are going and we intend to every quarter present the trailing 12 months capacity commissioned number. So that number as of 1st March 2026 stood at about 1.3 GW of capacity commissioned in the trailing 12 months.

And as you can see, this has consistently risen from about nearly 500 MW at the start of the financial year was our trailing 12 months capacity addition to about as of 31st December it's risen to 1.1 GW and now it's 1.3 GW. And that indicates the organization's capacity to build and execute.

The second number is have we built these projects within budget, and at CleanMax we are quite proud of our track record that when we go to the Board for approvals of a certain capital expenditure in a project, we bring in the project at pretty much that or below cost. And the first nine months of the current fiscal, which is the number on the extreme right-hand side here, we have built projects at 96.5% of the Board approved capex expense.

And this is similar to our prior period performance as well. So it's not a flash in the pan, that number is very consistent across many years, indicating both conservative project cost underwriting as well as capable execution. Right, the next point is what is the grid uptime, particularly in, you know, with a lot of conversation in our industry around backdowns and curtailments and so on.

For across our entire system the grid uptime remains very high at above 99%. And last factor on operating performance is what is the PLF in the trailing 12 months, and that is what we are showing here. You know, and we are showing the PLF on a trailing 12 months basis split across wind power plants, solar power plants, as well as hybrid power plants. So these continue to be respectable.

If anything, in the last 12 months, I think wind power has done particularly well. The wind season has been better than previously recorded. The next slide highlights a little bit about our strategic partnership for continuing equity efficiency. Here we are discussing our partnership with Osaka Gas, which is, you know, and our joint venture is called Clean Max Osaka Gas Renewable Energy, so you know, it's called CORE.

And you know, we own 51% and a subsidiary of Osaka Gas owns about 49%. Our intention is to build about 400 MW or more in this joint venture over three years and we have already received in the third quarter of FY26 equity contribution of INR 176 crores from Osaka Gas for their 49% stake. And this does also add strategic value to us. It gives us access to JBIC development finance, expands reach with global capital, and makes us more equity efficient in how we do our business.

I will now hand over to my colleague Nikunj, our CFO, to take us through some key financial result highlights. Thanks.

**Nikunj Ghodawat:**

Thank you, Kuldeep. Good afternoon, everyone. Let me walk you through with our financial performance for the nine months. We are on slide number 16. So we've delivered a strong broad-based growth across all key metrics here. Revenue from the operation grew 29% year-over-year to INR 13,554 million in December '25. EBITDA increased 33% to INR 9,448 million and reported PAT is INR 402 million from INR 22 million for the last nine month same period.

The key performance driver are primarily three. One is capacity-led revenue growth because the growth is volume-driven, the asset commissioned in last financial year has stabilized and generated the revenue. And there is the 1.3 GW addition which has happened during the year and that shall also ramp up and continue to add to the revenue.

We also saw the EBITDA margin expansion for both our segments which is RE Power and RE services and that's also the operating leverage gets reflected here. And on the balance sheet side, the gross block and capital work-in-progress has seen significant growth that reflects the capacity addition and also the capacity which is under construction, which will also come up.

The net debt, which is an important number here, what we have on the coming slide is a breakup which gives a split between the operating asset net debt and under-construction asset net debt. The one point which I'd like to call out here is that this net debt is as on 31st December and does not include the IPO proceeds, so it's without that.

Next page. The slide is on our segmental performance and we have two, our financials are reported primarily in two segments. One is the power sales segment and other is a RE services. Our business continue to be anchored by the RE Power Sales segment which contributes around 95% to 93% of our EBITDA and the revenue growth has been 26% for this segment and EBITDA margin improved 81% to 83%.

Again, scale-driven operating leverage and gross margin for here remains stable at 92% to 93% because it's a very stable business and it demonstrates the stable cash flow profile of the business. The RE services segment, which contributes though 5% to 7% of the overall EBITDA, but it's a services income for us and does not require any significant capital investment and it is a very important offering from our customer perspective.

And we've seen a revenue growth of 40% here and EBITDA margin also improved from 15% to 22%. So the key takeaway for this slide is that the healthy growth and margin expansion

across both the segment and RE power sales is high growth, high annuity business and RE services is an important customer offering which gives us the services income on both annuity Operations and Maintenance (“O&M”) and Engineering, Procurement and Construction (“EPC”).

The next slide, which is slide number 18, here we are talking about our asset level breakdown performance and this just do a deeper look into the quality of earnings and capital deployment. The RE power sales which is the primary contributor of EBITDA works such that we build today to earn the EBITDA in a following period.

So in the financial year majority of the EBITDA typically comes from the capacity which we built at this start of the year and majority of the EBITDA if you see in this slide comes which is 8,407 Million from the asset which has been operational for more than a year and contributed to the EBITDA and remaining is the breakup of the asset which is commissioned during the year.

Similarly, the debt breakdown in the same fashion. So the debt which has been against the operational projects, it just reflects that there is a stable cash flow behind it and the debt which is taken for the project which is just commissioned, which eventually have the cash flow coming in, get serviced from that. And under-construction debt is primarily reflects the growth which will come up.

The next page is on the operating leverage and the cost efficiency. This slide highlights an important structural strength of our business, which is operating leverage for our RE business power sales segment. The key trend over time if we see here, the gross margin remains stable, however the EBITDA margin has improved from 75% to 83% between FY ‘23 to December ‘25.

Primarily driven by the operating leverage because the SG&A cost does not increase at the same pace at the pace of growth in the EBITDA margin and this is an important takeaway from this and hopefully the margin will continue to expand as we scale up, though it may be at a lower pace because we are already at 83% on the margin side.

The last important page on the financial performance is the capital structure and cost of funding. This is one very important metric in a capital intensive business as debt is an important part of overall capital structure for us to create the sustainable equity returns. The cost of borrowing for us has gone down from 9.5% in March 24 to now 8.7% in December 25.

That's primarily driven by a couple of things, one is the continued improved credit profile, access to diversified funding and sources of funding and the lender base and then another lever which exists in our business is that in a high growth portfolio there is always some room for us to continuously refinance as assets stabilize and bring the cost of debt down.

The other leverage metric is debt to adjusted EBITDA which remains healthy and reasonable at 4.8x. The DSCR for stabilized asset at 1.4x, which reflects that assets are performing better than what it was underwritten by the lender. Even the range is very healthy and the long-term debt

profile is also backed by the 23-year long-term cash flows, so the debt is stable and self-sustaining and self-liquidating and it's not dependent on any other levers but the project cash flows.

We halt here and take questions.

**Moderator:** Thank you very much, sir. We will now begin the question-and-answer session. We'll take the first audio question from Puneet from HSBC. Please go ahead.

**Puneet:** Yes, thank you so much and congratulations on your first call and good results as well. My first question is with respect to the potential upcoming ALCM for cells which starts from June. How do you see traction on contracts beyond that in terms of tariff and commissioning intensity?

**Kuldeep Jain:** So, Puneet, till about for brownfield expansion in solar farm, we were offering, pre-ALCM pricing, which is offering a COD till 31 May till about, I think end November or some contracts even as of December because if you have a brownfield expansion you can actually commission it by June. And post 1st January, we have been offering revised and higher pricing to customers because the module price goes up so obviously the offered tariff goes up.

But we have seen continued traction with customers because the savings remains very compelling. The business case or the savings remains very compelling to customers. And the second thing is when people are buying wind-solar hybrids, they are offset and wind-solar hybrid offerings are the norm in most of the large states. Large states being Maharashtra, Karnataka, Tamil Nadu, and Gujarat and those also continue to find good traction.

**Puneet:** And like-to-like, what is the pricing up in terms of for solar?

**Kuldeep Jain:** I think the numbers vary a little bit by state but 7% to 10%.

**Puneet:** 7% to 10%. Okay. And secondly, you talked about your 1.5 GW guidance. Can you also break it down, what is the capex you expect to spend next year and what should one assume the mix of wind and solar?

**Kuldeep Jain:** We haven't given that project-wise and technology-wise guidance right now. Let's examine if we provide that.

**Puneet:** Okay. And in terms of SG&A trend, it's very interesting to see it has fallen to almost 10.3%. How should one think about this trajectory into next 1 and 2 years?

**Kuldeep Jain:** So, we currently have on RE Power Sales an EBITDA margin of about 83%, right. And I think this will be the operating leverage benefit we should see it continue to improve or rise as a margin percentage. And I could be slightly wrong, but I think it goes up to 85%, 86% in 2 to 3 years from today.

**Puneet:** Okay, that's very interesting. That's all from my side. Thank you so much and all the best.

**Kuldeep Jain:** Thank you.

**Moderator:** Thank you. We'll take the next text question from Sagar Sanghvi from ADD Capital. And the questions are, debt breakup, operational and under-construction of the \$1 billion of debt outstanding? And the second question is. How much debt will be required for 1.5 GWs to be operational in FY '27 and another 1.2 GWs in FY '28? So what would be total debt for FY '27 and FY '28?

**Kuldeep Jain:** Sagar, hi, thanks so much for joining us. We are not giving debt forecast by financial year and so on, but I would point us again to Page 18 of the presentation to answer the first part of your question, Sagar, which is - what we have shown in this page is the breakup of both EBITDA and corresponding debt. So if you look at the lower half of the page as of 31st December 25 balance sheet, about INR 4,688 crores of net debt is for projects which are operational for greater than a year. Another INR 1,781 crores is for projects which essentially commissioned during the financial year.

Another INR 1,739 crores of debt is for under-construction assets, which have not had any corresponding EBITDA. And about INR 1,490 crores is a sort of corporate loan that we have which is not tied to any specific project and that's the breakup of the total net debt as of 31st December.

**Moderator:** Thank you, sir. We'll take the next question from Sagnik Dey. Please unmute yourself, introduce yourself and proceed with the question, sir. Mr. Sagnik Dey? Sir, the participant has left the queue. We'll move on to the next question. The next text question is from Bharath Devara. He's a retail investor and the question is the capex EBITDA matrix of 5.8x versus industry of 7. x seems very stark. Can you explain what CleanMax is doing differently here? Capex is 98% hard cost. Is CleanMax procuring modules and turbines at such a steep discount?

**Kuldeep Jain:** So sir, two parts. One is you are right, our capex to EBITDA ratio is superior to the rest of the industry, primarily driven from the fact that - because we go directly to the end customer, it's more like the difference between a retail and a wholesale business compared to other renewable energy companies which participate in a reverse auction with government discoms or SECI and so on, where price is the sole determinant of bid winning.

So our tariffs tend to be higher in my analogy of being a retail direct to customer model. And tariff for assets commissioned in the first nine months of the fiscal was about INR 3.6 and tariff for 2.7 GW contracted under execution as of 1st March is about INR 3.8. So our tariffs are higher than industry average which is really the primary determinant of this, but of course it's not just tariffs, you have to couple it with extremely efficient project execution and implementation in a very, very granular business. So that also we have learned to do well over the last 15 years. Thank you for joining.

**Moderator:** Thank you, sir. We'll take the next question which is a text question from Parth Thakkar from Moon Capital. And the question is the annual EBITDA run rate of INR 1,795 crores is for current

3 GW of operational capacity, right? What does the annual EBITDA run rate look like once you have 2.7 GW of RE power sales goes into the operational capacity, which is under execution?

**Kuldeep Jain:** So Parth, thank you so much for joining and for being an investor in CleanMax. We are providing a guidance for next year's capacity addition, but honestly we are not providing the corresponding EBITDA run rate and debt guidance at this point.

**Nikunj Ghodawat:** However, we have provided certain unit economics on Page 9 and our investor letter, so that is some way to calculate for you that can be used.

**Kuldeep Jain:** We have provided the EBITDA per MW and so on and the debt-to-EBITDA ratio. So some of the information you ask for honestly you can triangulate and estimate.

**Nikunj Ghodawat:** Even the split of solar and wind is provided.

**Moderator:** Thank you, sir. We'll take the next question which is an audio question from Shaunak Godbole from SBI Life Insurance. Please proceed.

**Shaunak Godbole:** So I was looking at the presentation where we have given 9 months generation data. So is it possible to provide us with the quarterly data maybe from Q3 FY25 till Q3 FY26 the total generation data?

**Kuldeep Jain:** Very fair ask, Shaunak. Maybe we will I don't have it readily available on me, but maybe we will provide that in due course on our website. I think that's a very fair ask and we'll provide that on a continued basis every quarter in terms of million units of generation. Thank you for giving us that suggestion.

**Shaunak Godbole:** Okay. So one more question, just wanted to understand YTD capacity addition is around 1.3 GWs. So what would be the total capacity additions for this year? And earlier I suppose the total capacity addition for FY 27 was around 1.49 GWs and 28 was a bit more than 1.5 GWs. So is it have we trimmed the capacity addition guidance for 28 to 1.2 GWs?

**Kuldeep Jain:** So we are not giving any guidance for FY 28, Shaunak, because in our business it's pragmatic to only give a guidance for 1 year forward at a time is what we felt because there are a lot of contracting, so many other moving parts in project execution. And therefore we've said we will build and commission upwards of 1.5 GW in fiscal 26-27. That's the guidance we have given.

And what we maintain is we have seen tremendous increase in the organization's capacity to deliver new RE power sales capacities. As you remember, if we go back to the start of this financial year, which is April 2025, at that point if we stood and looked back to trailing 12 months, the capacity installed was about 500 MW.

However, if we stand on 1st March 2026 and look back trailing 12 months, capacity added is 1.3 GW. So from 500 MW trailing 12-month capacity addition to 1.3 GW that's a huge jump and we are forecasting or guiding to a capacity addition north of 1.5 GW for next financial year.

- Shaunak Godbole:** Okay. Thanks, thanks a lot, sir.
- Moderator:** Thank you. We'll take the next audio question from Dhruv Muchhal from HDFC Mutual Fund. Please go ahead.
- Dhruv Muchhal:** Yeah, sir. Thank you so much. Sir, firstly I would like to appreciate the shareholder letter. I think it captures the nuance in the business very well and I hope other companies also do this given the differentiation in this business. So firstly, the question is primarily one on the execution. So we have done probably well given the pace of execution. Next year expecting about 1.5 GW.
- Given whatever we hear in the industry about transmission land, wind execution challenges, how comfortable or how confident are you on this execution target? Also if you probably give some comments about what drives this confidence, probably transmission availability, land availability and stuff like that, please. Thanks.
- Kuldeep Jain:** Yes, thank you so much Dhruv for your question and your appreciation. The shareholders letter took a lot of work over the weekend from all of us. So it always feels nice to be appreciated. So thank you for that. And in terms of our confidence on this guidance of 1.5 GW, as it stands that confidence is quite high because of a few factors.
- Firstly, this is disaggregated across 9 to 10 different projects across 8 to 9 states. So there's a diversification of that risk and in that 1.5 GW about I would think 500 MW is CTU connected where some of these transmission bottleneck challenges have been more acute and the remainder 1 GW is STU connected or onsite solar where these challenges are typically not there because STUs give you evacuation capacity only once their plant is already ready.
- So that's one point on the transmission aspect. Second is as per our internal assessments about 70% to 80% of the land required for the capacity we're adding next fiscal is already acquired by us and we are well on our path to acquire the rest and construction is underway at all of these sites.
- So that gives us the confidence, coupled with the fact that this year already we have demonstrated organizational capability and ability to deliver at that scale, as you saw already 1.3 GW is added and therefore we are reasonably confident of delivering at a minimum 1,500 MW of RE power sales capacity for next fiscal.
- Nikunj Ghodawat:** And this one more point Dhruv is that in our business there's a lot of Brownfield capacity which we have. So the farm already exists, the customer new contract gets signed and we add to the same farm. So there also there's significant derisk upfront happening at the construction level.
- Kuldeep Jain:** Thank you, Dhruv.
- Dhruv Muchhal:** Thanks so much and I hope you maintain the disclosure level and I hope it becomes a benchmark for everyone. Thanks so much.
- Kuldeep Jain:** Thank you, Dhruv.

- Moderator:** Thank you. The next question is from Nishant Chandra from Temasek. Please go ahead.
- Nishant Chandra:** Hey, hi, thanks for taking my question. On the last on Page 32 there is this thing on greenhouse gas reporting. What - so is that the electricity generation that the other gentleman was looking for or that's different, which is a quarterly units generated data?
- Kuldeep Jain:** No, I think this is tons of CO2 emission from electricity generation and so on. So I wouldn't say that this is generation units.
- Nishant Chandra:** This is not units, is it, okay. Got it.
- Kuldeep Jain:** Not kWh Nishant, but this is standard disclosure format for GRI reporting on sustainability. And while we didn't present it in our opening comments, we do provide it as disclosure for investors.
- Nishant Chandra:** Got the first line is electricity generation mean what in units, what units is this actually?
- Kuldeep Jain:** This is CO2 reduction in tons due to electricity generation activity. That's what I think.
- Nishant Chandra:** Sure, okay, that's fine. I can check offline. Yeah, no worries.
- Kuldeep Jain:** Thank you so much Nishant and Temasek for your investment in CleanMax.
- Moderator:** Thank you, sir. We'll take the next question from Mihir Manohar from Trust Mutual Fund. Please go ahead.
- Mihir Manohar:** Yes, hi, thanks for giving the opportunity and congratulations on great set of numbers. Sir, largely wanted to understand on the data center side. I mean when we see over the last two years, 80%, 90% of the growth has come from data center side. So how does it work? I mean are they getting for carbon offsets if you can flow the operational understanding over here for global data centers as to how do this business work? They purchase over here, they get the credits, some color around that?
- Kuldeep Jain:** Sure Mihir, thank you. You're right, data center business for us has grown a lot. It has grown 10 times and now represents about 42% of our contracted capacity or about 2.4 GW out of our 5.7 GW energy sale capacity is contracted for data and AI customers. This is of two types. First is direct supply of electricity or rather electricity supply for consumption in a data center located physically in a state in India.
- And we have dozens of clients in that and about a third of the data and AI business is of that type for energy supply for data center located in India is about a third of the data and AI business. The two thirds of the data and AI business is what are called environmental attribute purchase agreements ("EAPAs") where the energy is not being physically consumed by a big tech, but they are paying us for the full value of the electricity.

So, for instance, we may have a contract that you commission this solar plant for us say in Bikaner CTU connected and we guarantee you a revenue of INR 3.4 per unit of electricity. Now practically how does it get implemented Mihir is the following. That every day we generate electricity and sell it on the IEX as brown power and we receive the revenue we receive from the market.

You know, so let's assume in an illustrative example that revenue was INR 2 per unit for the entire month and our guaranteed revenue is INR 3.4, then the global big tech who have signed the EAPA with us will give us the difference between the assured revenue which is INR 3.4 per unit of electricity and the received revenue which is INR 2 per unit of electricity, which is INR 1.4 is what we'll receive from them and therefore the revenue we make at the end of the calendar month is INR 3.4.

Similarly in this almost always the agreement states that if we receive higher in a month it could be higher, right? We may make INR 4 for sale of, you know, the power, we will then give them the difference. So INR 4 minus INR 3.4 in my illustrative example is what we will give to them. So that is how practically this contract works.

Commercially though, I would like to highlight that this is very similar to a standard power purchase agreement from commercial aspects. Namely, one, it is a long-term 25-year agreement with a high-quality counterpart. Two, for us as a generator of electricity, our tariff is known and fixed over the next 25 years. Yes, that tariff is received as a sum of two parts, A being the revenue we receive from selling the power as brown power on the energy exchange and B being any delta compensation we'll receive from the big tech with whom we have this such a deal, right.

But it is a firm known revenue over 25-year contract period with a high-quality creditworthy off-taker. So this is how the EAPA contracts work. So again to summarize, data and AI is now 42% of our contracted capacity, about a third or slightly more than a third of this volume is direct supply of electricity to data centers physically located in India and two thirds are in the nature of the EAPA contracts which I described in slightly more detail. Yeah, thank you Mihir and thank you for your investment in CleanMax.

**Mihir Manohar:** Just, and you know, China adds 250-300 GW of solar every year. Why does this C&I offset business come to India and not to China?

**Kuldeep Jain:** There are a couple of distinct reasons for that. One of them is that, you know, people look at the cost per ton of carbon abated. Right, so India has two, three, four things going for it. One is of course low cost of renewables. Second is a coal-heavy grid so the carbon intensity of the offset is much more than you would enjoy say in China or Europe. And third is that the contracting structure, contracting discipline and welcomeness of big tech in India is a lot more than they find in China. So all of them are doing this kind of business in India.

**Mihir Manohar:** Understood. Sure, sure. I just have two questions, should I go ahead?

**Kuldeep Jain:** Yes, please go ahead.

**Mihir Manohar:** Yes, sure, sure. So in a case, let's say we have tied up the capacity, we have entered into agreement, if there is delay in putting up the capacity because of, let's say, transmission evacuation not being provided by the respective agency, then how does the risk and how -- I mean who will bear the risk, how does it work over here if sufficient transmission evacuation capacity is not available? That was the first question.

And second was on the cross subsidy surcharge. I mean our tariff is INR 4.25 versus industrial tariffs at INR 7 to INR 8 for the grid-based tariffs. Now this Draft Electricity Amendment Bill is proposing removal of cross subsidy surcharge. This is I mean quite an ideal thought process over there, idealistic scenario, but let's say if that goes through then what kind of risk do we have if that goes through?

**Kuldeep Jain:** Thank you Mihir for those questions. So the - I think what was the first one?

**Mihir Manohar:** First one was if the sufficient transmission evacuation capacity doesn't come up and we have entered into a contract already, who bears the risk?

**Kuldeep Jain:** Yeah. So in most of our - see we have 1,300 contracts, so you have to appreciate that every contract might be slightly different. But for almost all our contracts, right, if the grid does not connect, we would be able to declare that as a force majeure and not be subject to Liquidated Damages (LDs).

Now that's not a happy event because you know we want to actually connect and start selling the power. But there is no double whammy typically that we would face as a result of that, right. So that's point number one.

And second is, you know, we have by the way Mihir in the shareholders' letter an entire section on various regulatory risks and we've done a fair bit of analysis and so on, on that. You know, you highlighted one which is what if cross subsidy surcharge goes away, but there are also certain proposed or there are potential changes to banking norms, right, that the grids and the government I think will largely in a few years move to a regime where if you have given solar power during daytime, you cannot possibly be allowed to use that daytime solar power in nighttime, right?

And also then the daytime solar power will be cheaper than evening peak power. And all of those also proposed guidelines. We've run all of those analysis Mihir and estimated that even if all of those events were to occur, then the maximum EBITDA risk to CleanMax on the 3 GW of contracted capacity is about 1.5% of our EBITDA, right. So I've provided the high-level highlight, but I would also urge you to look at the shareholders' letter which contains the details of why the impacts of all of these regulatory changes put together if they happen, when they happen is so limited.

**Mihir Manohar:** Sure, sir, definitely I will go through that. Thank you very much, that was very helpful, sir. Thank you very much.

**Kuldeep Jain:** Thank you, Mihir.

**Moderator:** Thank you. We'll take the next question from Akash Mehta from Canara HSBC Life Insurance. Please go ahead.

**Akash Mehta:** Yeah, hi, sir. So just wanted to confirm one thing, in terms of the upcoming capacity, we have about 2.7 GW that where the PPAs have been signed. Is there any other capacity that's there like a pipeline capacity that other companies usually report for or as and when we conclude the PPA we'll probably add it to the 2.7 number?

**Kuldeep Jain:** So there are two aspects to this. First is the power transmission capacity pipeline, right, which is not a - which has got nothing to do with customers, but it just talks about what evacuation we have available with us, right. So if you look at the bottom half of this page 30, this is power evacuation capacity that we have.

So firm evacuation that we already possess which is yet to be contracted with customers, right, I'll again repeat, the firm evacuation which is yet to be contracted with customers stands at 3.1 GW for us as of 1st March 2026. And evacuation applied for, which we've not yet been given on a firm basis, is about 1.6 GW. So both put together you could say 4.7 GW of sort of evacuation pipeline.

Now the - your question though was slightly different. Your question was more around the sales pipeline and there we hesitate from trying to, you know, give sales pipeline numbers in terms of how many deals are under discussions or how many client calls we are making, because honestly our sales efforts are so broad - so broad-based. We have 570 clients. We have more than 50 BD executives.

In a year, we sign about 100 new deals which means at any point there are 200 to 400 conversations and pipeline discussions going on. So honestly to report those numbers in any credible auditable way is very, very hard, right. And therefore we refrain from that, once done, which means we have signed and contracted something, that's when we count it as, you know, contracted capacity.

**Akash Mehta:** Sure, sir, that's quite helpful. But so it doesn't work like a LOA because it's C&I, right? I mean otherwise you can just mention it's LOA and this is a pipeline, correct?

**Kuldeep Jain:** Yes, it doesn't work like that because in the SECI system there's an LOA with SECI which may or may not translate into a PPA with a discom. Ours is, we sign directly with the end customer. So we just once we sign we do it and our look, our average group captive volume is 13 MW. The pipeline keeps delivering every quarter and is not lumpy.

What you will see on an ongoing basis is we'll keep reporting our contracted capacity every quarter, every quarter it will keep going, going up and even if you look at our DRHP or our updated DRHP we filed just prior to the IPO, that also gave pipeline contracted capacity numbers

as of 1st April, as of 31st July, as of 30th October and so on. So you can see that every quarter there is a steady consistent growth in the contracted capacity.

**Akash Mehta:** Sure and okay, I got it. And my second question is on the land-bit evacuation, I think we are way ahead in terms of what we have to do in terms of the contracted capacity and we have the evacuation available for the upcoming capacities as well whenever we close the contracts.

For land we just have 70% to 80% of the land acquired for the upcoming capacity. So the only - is the only reason that because the small the parcels of land are small and it takes time to kind of acquire land in bits and pieces or there any other reason for the outstanding 70% to 80% pending for next year?

**Kuldeep Jain:** So rather than a range bound I just rechecked with my team, we have slightly upwards of 80% of the land already in place, and we last monitored this I think around mid to end February, and the reason this is never fully 100% is as in 12 months before commissioning is never fully 100% in our kind of business is that the average land holding for farmer in India is about 4 acres, which is enough for about 1.5 MWp of solar.

So you know there are a lot of land deeds which you have to do so that 80% will gradually keep getting filled up in the next one or two quarters because and the capacity estimate is really till end of till March 2027, but you would have 100% of the land in place, for the capacity building in March 27, latest by September 2026. So that's how our business works.

**Akash Mehta:** Sure that's quite helpful. Yes, those were the questions from my side. Thank you.

**Kuldeep Jain:** Thank you.

**Moderator:** Thank you. We'll take the next question from Puneet Gulati from HSBC. Please go ahead.

**Puneet Gulati:** Yes, thank you for the follow-up opportunity. My first question is on your 1 GW contracted pipeline potential capacity addition that you'll do for FY'27, which are the big states there and what should one be assuming as rough quantity there?

**Kuldeep Jain:** So the guidance Puneet, is 1.5 GW of additional renewable energy power sales capacity in FY'26-FY'27.

**Puneet Gulati:** Yes.

**Kuldeep Jain:** And yes out of that maybe 0.5 GW is CTU connected wind project which we are building in the state of Karnataka.

**Puneet Gulati:** Yes.

**Kuldeep Jain:** Then the remainder is 1 GW of RE power sales capacity which is really for non-CTU and the four biggest states for us, Puneet, are really Gujarat, Karnataka, Maharashtra, and Tamil Nadu.

These are also the top four states in India in terms of industrial GDP and that's really these are huge markets. That's why these are big states.

Right, and we would expect these four states to be a bulk of that, but also growth will come from states like Haryana and Andhra Pradesh in addition to these big four and Rajasthan also possibly maybe Uttarakhand.

**Puneet Gulati:** And in your letter you also talked about connectivity issues for especially the CTU project 525 MWp. What is the status there and also for the balance 500 MW that you will commission in FY'26, if you can update on the status of connectivity there as well?

**Kuldeep Jain:** So the Bikaner 2 connectivity status update that we have from CTU and their estimate is that - the grid itself is connected, the substation is connected, but there are transmission bottleneck more north of the substation which are causing some backdown issues. They estimate that somewhere in the quarter between October to December 2026 is by when they expect to resolve the same, but this is a matter outside our sphere of control.

**Puneet Gulati:** Yes.

**Kuldeep Jain:** So that is on the 525 MW in Bikaner 2.

**Puneet Gulati:** And you have a TGNA there at this time.

**Kuldeep Jain:** Yes, we would get a - that standard process would apply.

**Puneet Gulati:** Yes. Okay.

**Kuldeep Jain:** The second plant that we the CTU connected plant we are intending to commission in this fiscal is about 450 MW of wind coupled with, I think about 110 or 100 odd MWp of solar in Karnataka and there the grid expects I think a CTU connectivity is - I think we should think about it as December 2026 is our estimate.

**Puneet Gulati:** Okay, that's helpful. Thank you so much and all the best.

**Kuldeep Jain:** Thank you.

**Moderator:** Thank you. We'll take the next text question from Bharat Devara, a Retail Investor. It's a follow-up question and the question is: Would it be fair to assume from your response on capex to EBITDA that our company's capex is the same as utility-scale peers, but our tariff is at the 30% premium essentially leading to the industry leading C-E. Would this lead to more competition going forward with utility peers moving to C&I?

**Kuldeep Jain:** Thank you Bharat for the question. I think your understanding is incredibly correct and we've always been a very competitive industry. If you looked at our DRHP, the industry report suggests that we are the number one player in India with a 12% all-India market share and therefore it does indicate that there is a fair bit of competition in this industry.

What I can also note is that over the last few years, we have never seen unit economics worsen. Unit economics are essentially represent the economic metrics of making every new investment in a power plant and capital cost of solar and wind power have come down and as a result tariffs may have fallen slightly, but return metric such as ROI, ROE, equity IRR, equity payback, capex to EBITDA ratio or any other such ratio that we look at have improved -- have the stayed the same or marginally improved over time.

Right, so that is what we have found. As an example, our equity payback for all assets built in financial year FY'22-FY'23, FY'23-FY'24, and FY'24-FY'25 was around two and a half years and in comparison equity payback for assets built in the lifetime of CleanMax was around 3.4 years.

So as you can see, equity returns have not worsened for us have only marginally improved forward time and coupled with great unit economics, coupled with substantial scale now coming because of the growth of the C&I industry and our own performance within it have led to improved financial metrics all around.

**Moderator:** Thank you, sir. The next text question is from Siddhant Jain from Kotak Securities and the question is: Can you share the breakup of capacity under hybrid? Also I was calculating the generation even using previous period capacity and DC PLFs given on slide 23. It was coming to be quite higher. Can you share how to go about this?

**Kuldeep Jain:** There is a slide 23 which has the capacity commissioned and the PLFs in in the different time periods which we can pull up and that those PLFs are therefore provided in our database with both wind solar and hybrid as you can see at the bottom half of the page we have the PLF capacities provided. For the first nine months and the corresponding last nine months period as well those are provided.

And by the way, this generation is also there. Sorry, I there was a question earlier also on units generated and exported, this is there on page 23 of the deck. I acknowledge though to the participant who pointed it out previously that that data is not split on a quarter-by-quarter basis and going forward we will provide that.

**Moderator:** Thank you, sir. We'll take the next audio question from Nishant Chandra from Temasek. Please go ahead.

**Nishant Chandra:** Hi, just one follow-up question. This is on capex creditors and how we deal with that in terms of linked to capitalization. For the point in as of December, what is the capex creditor position for the company?

**Nikunj Ghodawat:** Nishant, allow me to just get the exact number.

**Nishant Chandra:** Sure. The other one is on run-rate net debt as of 1st March. What you how do you calculate that because some of the debt drawdown would have also gone towards CWIP right? So is it same apples-to-apples comparing the run-rate net debt versus the run-rate EBITDA?

- Nikunj Ghodawat:** So for the capacity - there are two ways to look at it. One is that what the capacity which is built and operating is, and what is the debt against that given. And second is the unit economics basis if we look at it we've been maintaining around 5.5 run-rate net debt to EBITDA on a basis. So that's the one way the other way to look at it.
- Kuldeep Jain:** And yes Nishant, to answer your specific question, that is not in our business that is never strictly triangulable off-balance sheet but all analysts and investors such as yourself need it. Right, and therefore what we do is - don't just look at the drawn down debt as on that date because, we may have commissioned a certain capacity, but very often in our business we only draw down that debt as and when required to pay off the capex creditor.
- And therefore there was merit in providing for the benefit of investors like yourselves both numbers which is run-rate EBITDA as well as corresponding run-rate net debt so that, anyway you want to then use it for your own analysis that oh how do I think about, EV/EBITDA multiples and then what debt to subtract from that, you should have that corresponding number. That's the purpose of providing that.
- Nishant Chandra:** Fair point. No because in my mind I was also then to the extent of value attributable to the CWIP because that is the investment that has gone into the company without generating anything but it is likely to accrue value in the next 12 months or so, so I was trying to understand how to offset it against this net debt number?
- Kuldeep Jain:** Yes, I think you'll just have to subtract.
- Nishant Chandra:** Yes, that's why I think about it, yes. That's fair.
- Moderator:** Thank you. We'll take the next text question from A Pradeep from Vedanta and the question is: Since the proceeds from IPO is being used for repayment of borrowings or exit of current investors or general corporate purpose, what are your plans for equity contribution for your upcoming projects? Any QIBs etc.?
- Kuldeep Jain:** We have no intention of a QIB to answer that very specific question and we believe that we should be well funded for continued high growth over the next three years. Right, so that's, I wouldn't say no QIB forever, but certainly I think we would like to assure everyone that at current or even slightly higher rates of growth, we are well equity funded on an overall balance sheet level along with all the strategic partnerships that we have for continued high growth over the next three financial years at a minimum and, of course as any other business would, we will keep assessing that statement and that equity requirement on an annual basis and advising investors accordingly.
- Moderator:** Thank you, sir. Ladies and gentlemen, we will take that as a last question for today. I would now like to hand the conference over to Mr. Sumit Kishore for closing comments. Thank you and over to you.

**Sumit Kishore:** On behalf of Axis Capital, I would like to thank Kuldeep sir, Nikunj, for giving us the opportunity to host the Clean Max Maiden Analyst Conference Call. Over to you, Kuldeep, for any last comments. Thank you.

**Kuldeep Jain:** No, we wanted to say a big thanks for everyone who's joined and asked questions and so on. Thank you everyone for investing in CleanMax and spending your time to evaluate potential for the investment in us. And this was for us in our life our first ever Analyst Call, maybe you guys do it every day but for us it was the first experience.

Therefore, if there is any feedback you all have in terms of how we can improve, how we can share better information, or even just how we presented, we would really value it. And please do not hesitate to share that with us over the coming periods of time. Thank you.

**Moderator:** Thank you members of the management. Ladies and gentlemen, on behalf of Axis Capital and CleanMax, that concludes this conference. We thank you for joining us and you may now disconnect your lines. Thank you.

Note:

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