

THERMAX LIMITED THERMAX HOUSE, 14 MUMBAI - PUNE ROAD, WAKDEWADI,
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Website : www.thermaxglobal.com ☐ IT PAN - AAAC 3910D
Customer Care : 18002090115 (India Toll Free)

Corporate Finance



November 24, 2020

To
The Secretary
BSE Limited
PJ Towers, Dalal Street
Mumbai: 400 001

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051

Company Scrip Code: 500411

Company Scrip Code: THERMAX EQ

Sub: Disclosure of Related Party Transactions

Ref: Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Pursuant to Regulation 23(9) of Listing Regulations, please find enclosed details of Related Party Transactions on a consolidated basis for the half year ended September 30, 2020.

You are requested to take note of the same.

Thanking you,

Yours faithfully,
For **THERMAX LIMITED**

Kedar P. Phadke
Company Secretary
Membership No: F3349

Encl: As above

Thermax Limited
Notes to consolidated financial statements for the year ended September 30 2020
(All amounts are in Rupees Crores, except per share data and unless stated otherwise)

I Interests in other entities
Group information

A Subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed in the table below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Sr No.	Name of the entity	Place of business/ Country of incorporation	Ownership interest held by the Group		Principal activities
			September 30, 2020	September 30, 2019	
1	Thermax Onsite Energy Solutions Ltd	India	100%	100%	Supply of steam and heat on build, own and operate basis
2	Thermax Instrumentation Ltd	India	100%	100%	Civil, Erection & Commissioning and Operation and Maintenance of power plants
3	Thermax Engineering Construction Company Ltd.	India	100%	100%	Installation of industrial machinery and equipment
4	Thermax Sustainable Energy Solutions Ltd.	India	100%	100%	Carbon Advisory Services
5	Thermax International Ltd.	Mauritius	100%	100%	Investment Company
6	Thermax Europe Ltd.	United Kingdom	100%	100%	Sale and service of vapour absorption chillers
7	Thermax Inc.	USA	100%	100%	Sale and service of vapour absorption chillers and sale of chemicals
8	Thermax do Brasil Energia e Equipamentos Ltda	Brazil	100%	100%	Rendering services including technical assistance
9	Thermax (Zhejiang) Cooling & Heating Engineering Company Ltd	China	100%	100%	Products and services in heating, cooling, waste heat recovery, captive power, water treatment and recycling, waste management and performance chemicals
10	Thermax Netherlands BV.	Netherlands	100%	100%	Investment Company
11	Thermax Denmark ApS	Denmark	100%	100%	Investment Company
12	Danstoker A/S	Denmark	100%	100%	Produces and sells boilers to the energy market
13	Ejendomsanpartsselskabet Industrivog Nord 13	Denmark	100%	100%	Own and lease out property within Group
14	Boilerworks A/S	Denmark	100%	100%	Produces and supplies high-pressure boilers and components
15	Boilerworks Properties ApS	Denmark	100%	100%	Own and lease out the property within Group
16	Danstoker Poland Spółka Z Ograniczona Odpowiedzialnoscia	Poland	100%	100%	Produces and supplies high-pressure boilers and components
17	Rifox-Hans Richter GmbH Spezialarmaturen	Germany	100%	100%	Manufacturing steam trap systems
18	Thermax Sdn Bhd	Malaysia	100%	100%	Turnkey solutions provider
19	Thermax Engineering Singapore Pte. Ltd.	Singapore	100%	100%	Investment Company
20	PT Thermax International Indonesia	Indonesia	100%	100%	Manufacturing of industrial products
21	Thermax Senegal S A R L.	Senegal	100%	100%	Plant management services
22	First Energy Private Limited	India	94%	94%	Alternative energy solution company
23	Thermax Energy & Environment Philippines Corporation	Philippines	100%	100%	Marketing and sales of component parts of boilers
24	Thermax Energy & Environment Lanka (Private) Limited	Sri Lanka	100%	100%	Marketing and sales of component parts of boilers
25	Thermax Nigeria Limited	Nigeria	100%	100%	Marketing and sales of component parts of boilers
26	Thermax Babcock & Wilcox Energy Solutions Pvt Ltd	India	100%	100%	Manufacture of steam or other vapour generating boilers and hot water boilers other than central heating boilers
27	Thermax Cooling Solutions Limited (formerly known as Thermax SPX Energy Technologies Ltd)	India	100%	100%	Supply and erection commissioning of Air cooled condenser (ACC), Rotary air Pre-Heater (RAPH), electrostatic precipitator (ESP), Bag Houses
28	Thermax Engineering Construction FZE	Nigeria	100%	100%	Operation and Maintenance
29	Thermax International Tanzania Limited^^	Tanzania	100%	NA	Supervision for project business, operation and maintenance services and sales related support.
30	Thermax (Thailand) Limited	Thailand	100%	NA	Trade and investment support office.
31	ESOP Trust and Employee Welfare Trusts**	India	100%	100%	Employee welfare

Thermax Hong Kong Ltd. (wholly owned subsidiary) has not been considered for consolidation as the same has become 'Dormant' during the year 2009-10.

The non-controlling interest held in First Energy Private Limited is not material to the Group. Hence, the disclosures required under Para 12 of Ind AS 112 Disclosure of Interests in other entities are not considered necessary.

** The Group has ESOP trust and Employee Welfare Trusts for the welfare of the employees. Pursuant to the arrangement between the Trusts and the Holding Company, the Holding Company has determined that it has power to direct the relevant activities of the trust while being exposed to variable returns from its involvement with these entities. As a result, these entities have been consolidated in these financial statements.

^^ Date of incorporation December 7, 2019. There are no transaction during the year, hence not consolidated.

B Parent entity					
Sr No.	Name of the entity	Place of business/ Country of incorporation	Ownership interest held by the Group		Type
			September 30, 2020	September 30, 2019	
1	RDA Holdings Pvt Ltd	India	53.99%	53.99%	Ultimate Holding company

The above percentage of shareholding is before elimination of Trust's holding**.



Thermax Limited
Notes to consolidated financial statements for the year ended September 30, 2020
(All amounts are in Rupees Crores, except per share data and unless stated otherwise)

2 Related party disclosures

A For details of Holding company and Joint ventures, refer note 1.

B Individuals having significant influence over the Group by reason of voting power, and their relatives

- 1 Mrs. Meher Pudumjee - Chairperson
- 2 Mrs. Anu Aga - Relative of Chairperson / Director
- 3 Mr. Phoroj Pudumjee - Director
- 4 Mr. Zahaan Pudumjee - Relative of Chairperson / Director

C Key Management Personnel:

- 1 Mr. M S Unnikrishnan - Managing Director and Chief Executive Officer (Retired on August 31, 2020)
- 2 Mr. Ashish Bhandari - Joint Managing Director w.e.f. June 18, 2020 and Managing Director & Chief Executive Officer w.e.f. September 1, 2020
- 3 Dr. Valentin A. H. von Massow - Independent Director
- 4 Dr. Jairam Varadaraj - Independent Director
- 5 Mr. Nawshir Mirza - Independent Director
- 6 Mr. Harsh Mariwala - Independent Director
- 7 Mr. Sashishkhar Balakrishna (Ravi) Pandit - Independent Director
- 8 Mrs. Rajani Kesari - Independent Director
- 9 Mr. Rajendran Arunachalam - Chief Financial Officer
- 10 Mr. Kedar Phadke - Company Secretary

D Enterprises with whom transactions have taken place during the year, over which control is exercised by individuals listed in 'B' and 'C' above:

- 1 Thermax Foundation, India
- 2 ARA Trusteeship Company Private Limited, India
- 3 Marico Limited
- 4 Kirtane & Pandit, LLP, Chartered Accountants
- 5 Elgi Ultra Industries Limited
- 6 Elgi Equipments Limited
- 7 KPIT Technologies Limited
- 8 Festo India Private Limited

E Transactions with related parties:

Particulars	Joint Ventures		Enterprises over which control is exercised by Individuals having Significant influence over the company and Key Management Personnel		Key Management Personnel and Individuals having Significant influence over the company mentioned in B and C above		Total	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
a. Transactions during the year								
Sales of products and services	-	-	-	0.43	-	-	-	0.43
Miscellaneous income	-	-	-	-	-	-	-	-
Purchase of raw material and components	-	-	0.15	0.44	-	-	0.15	0.44
Miscellaneous expense	-	-	0.01	0.01	-	-	0.01	0.01
Remuneration to key management personnel*	-	-	-	-	20.37	4.14	20.37	4.14
Donation	-	-	2.00	3.80	-	-	2.00	3.80
Director's sitting fees	-	-	-	-	0.24	0.20	0.24	0.20
Commission paid	-	-	-	-	-	-	-	-
Rent paid	-	-	-	-	0.18	0.26	0.18	0.26

* Does not include gratuity and leave encashment since the same is calculated for all employees of the Group as a whole
Dividend paid to RDA Holdings Pvt. Ltd., India is Rs. 0 (March 31, 2019: Rs. 45.03)

Particulars	Joint Ventures		Enterprises over which control is exercised by Individuals having Significant influence over the company and Key Management Personnel		Key Management Personnel and Individuals having Significant influence over the company mentioned in B and C above		Total	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
b. Balances as at the year end								
Trade receivables	-	-	-	0.10	-	-	-	0.10
Advances given	-	-	0.19	-	-	-	0.19	-
Loan given (Security deposit)	-	-	-	-	0.53	0.53	0.53	0.53
Trade payables and other liabilities	-	-	-	0.51	-	-	-	0.51

** represents amount less than a lakh rupees

(This space is intentionally kept blank)



Thermax Limited
Notes to consolidated financial statements for the year ended September 30 2020
(All amounts are in Rupees Crores, except per share data and unless stated otherwise)

F Related party transactions include transactions pertaining to the following parties with whom the percentage of the transactions are 10 % or more of the total of the above:

Particulars	September 30, 2020	September 30, 2019
Transactions during the year		
Sale of product and services		
Marico Limited	-	0.30
Elgi Ultra Industries Limited	-	0.13
Purchase of raw material and components		
Elgi Equipments Limited	0.14	0.43
Miscellaneous expense		
Kirtane & Pandit. LLP. Chartered Accountants	0.01	0.01
Remuneration to key management personnel		
Mr. M. S. Unnikrishnan (till August 31, 2020)	16.42	2.13
Mr. Ashish Bhandari	2.87	-
Mr. Rajendran Arunachalam	0.79	0.52
Mr. Amitabha Mukhopadhyay (till May 2019)	-	1.27
Donation		
Thermax Foundation, India	2.00	3.80
Directors sitting fees		
Mrs. Meher Pudumjee	0.03	0.03
Mr. Pheroj Pudumjee	0.04	0.03
Dr. Valentin A. H. von Massow	0.03	0.03
Dr. Jairam Varadaraj	0.04	0.03
Mr. Nawshir Mirza	0.04	0.03
Mr. Ravi Pandit	0.03	0.03
Mrs. Rajani Kesari	0.03	0.02
Rent paid		
Mrs. Meher Pudumjee	0.06	0.07
Mrs. Anu Aga	0.07	0.12
Mr. Pheroj Pudumjee	0.06	0.07

Particulars	September 30, 2020	September 30, 2019
Trade receivables		
Marico Limited	-	0.10
Advances given		
Elgi Equipments Limited	0.18	-
Trade payables and other liabilities		
KPIT Technologies Limited	0.07	0.45
Loan given (security deposits)		
Mrs. Anu Aga	0.35	0.35
Mr. Pheroj Pudumjee	0.18	0.18

** represents amount less than a lakh rupees

G. Terms and conditions of related party transactions:

The sales to and purchases from related parties are assessed to be at arm's length by the management. Outstanding balances at the period-end are unsecured and interest free and settlement occurs in cash.

For the half year ended September 30, 2020, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (September 30, 2019: Rs Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

All outstanding balances are unsecured and repayable in cash

