

📍 **Thermax Limited,**
Thermax House, 14 Mumbai - Pune Road,
Wakdewadi, Pune - 411 003, India

☎ +91 20 6605 1200, 6605 1202
🌐 www.thermaxglobal.com
PAN AA ACT 3910D
CIN L29299PN1980PLC022787
📄 27AAACT3910D1ZS
✉ enquiry@thermaxglobal.com

📍 **Regd. Office:**
D-13, MIDC Industrial Area, R D Aga Road,
Chinchwad, Pune 411019, India



December 26, 2023

To
The Secretary
BSE Limited
PJ Towers, Dalal Street
Mumbai: 400 001
Company Scrip Code: 500411

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051
Company Scrip Code: THERMAX EQ

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations' and Disclosure Requirements) Regulations, 2015

Ref: Our earlier intimation dated December 20, 2022

Dear Sir/ Madam,

In continuation to our above referred intimation, we wish to inform you that the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated December 20, 2023, which was received on December 25, 2023, has approved demerger of the Wholly Owned Subsidiaries of the Company namely, Thermax Cooling Solutions Limited (TCSL/Demergered Company) and Thermax Instrumentation Limited (TIL/Resulting Company). A copy of the said order is enclosed herewith.

You are requested to kindly take note of the same.

Thanking you,

Yours faithfully,

For **THERMAX LIMITED,**

Janhavi Khele
Company Secretary
Membership No: A20601

Encl: as above



**IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH – V**

C.P. (CAA) / 83 (MB) / 2023

CONNECTED WITH

C.A. (CAA) / 284 (MB) / 2022

In the matter of the Companies Act, 2013

AND

In the matter of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamation) Rules, 2016

AND

In the matter of Scheme of Arrangement for demerger of Cooling Business (“Demerged Undertaking”) of Thermax Cooling Solutions Limited (“TCSL” or the “Demerged Company” or the “First Petitioner Company”) to Thermax Instrumentation Limited (“TIL” or the “Resulting Company” or the “Second Petitioner Company”) and their respective Shareholders (‘the Scheme’ or ‘this Scheme’)

Details of the Petitioner Companies:

Thermax Cooling Solutions Limited, a }
public limited company incorporated under }
the provisions of the Companies Act, 1956, }
having its registered office at Thermax }
}



House, 14, Mumbai Pune Road, Wak- } ... **First Petitioner Company /**
dewadi, Pune, Maharashtra – 411003, India } **Demerged Company**

CIN: U29299PN2009PLC134761

Thermax Instrumentation Limited, a }
public limited company incorporated under }
the provisions of the Companies Act, 1956, }
having its registered office at Thermax }

House, 14, Mumbai Pune Road, Wak- }
dewadi, Pune, Maharashtra – 411003, India }

CIN: U72200MH1996PTC099050 }

... **Second Petitioner Company /**
Resulting Company

Order Dated: 20.12.2023

Coram:

Hon'ble Member (Judicial): Reeta Kohli

Hon'ble Member (Technical): Madhu Sinha

Appearances(Physical)

For the Petitioner Companies: CA Harsh C. Ruparelia

For the Regional Director: Shri. Tushar Wagh, Authorised Representative on behalf of
Regional Director, Western Region.



Order

Per: Reeta Kohli Member (Judicial)

1. Heard the Professional for the Petitioner Companies. No objector has come before the Tribunal to oppose the Petition and nor any party has controverted any averments made in the Petition.
2. The sanction of this Tribunal is sought under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ('Act') in the matter of Scheme of Arrangement for demerger of Cooling Business ("Demerged Undertaking") of Thermax Cooling Solutions Limited ("TCSL" or the "**Demerged Company**" or the "**First Petitioner Company**") to Thermax Instrumentation Limited ("TIL" or the "**Resulting Company**" or the "**Second Petitioner Company**") and their respective Shareholders ("the Scheme" or "this Scheme").
3. The Professional for the Petitioner Companies submits that the First Petitioner Company is engaged in providing various kinds of wet and dry cooling solutions for removal of heat from different processes in manufacturing industries. The First Petitioner Company is also providing cooling solutions and providing air cooling condensers to power projects of Thermax India and external customers for power and energy business. Further, it is also engaged in the business of supply of equipment for power plant such as Electrostatic Precipitators (for plant sizes more than 300 MW) and Regenerative Air Preheaters (for plant sizes of more than 300 MW).



4. The Professional for the Petitioner Companies submits that the Second Petitioner Company is rendering erection, commission, civil works and operation and maintenance services for turnkey contracts for power plants.
5. The Professional for the Petitioner Companies submits that the Board of Directors of the First Petitioner Company and Second Petitioner Company vide their resolution dated 20th December 2022, approved the Scheme of Arrangement between TCSL and TIL and their respective Shareholders. The Appointed Date for the scheme is 1st April 2023.
6. The Professional for the Petitioner Companies submits that the Petitioner Companies are wholly owned subsidiaries of the same shareholder i.e., Thermax Limited. The business activities carried out by the First Petitioner Company as a part of its Cooling Business and by The Second Petitioner Company are complementary in nature and provide vertical integration for completion of power projects. The Board of Directors of the First Petitioner Company and the Second Petitioner Company are of the opinion that the Demerger of Cooling Business under this Scheme would result in benefit to members, creditors and employees of each of the First Petitioner Company and the Second Petitioner Company, will not be detrimental to the public and would result in expansion of Cooling Business attached with the increase in the value for its members in long run. The demerger, transfer and vesting of the Cooling Business of the First Petitioner Company on a going concern basis to the Second Petitioner Company will result in the following benefits for the group as whole:
 - a. Vertical integration of operations for Second Petitioner Company resulting in enhanced co-ordination and flexibility in operations.
 - b. Enhanced management focus on business of Second Petitioner Company post the proposed Demerger due to complementary business being con-



- solidated under the same entity resulting in scalability and operative effectiveness
- c. Elimination of duplication of administrative and compliance functions resulting in cost saving
7. The Professional for the Petitioner Companies submits that the Company Scheme Petition has been filed in consonance with the order dated 6th January 2023, passed by this Hon'ble Tribunal in C.A.(CAA) / 284 / MB / 2022. Further the meetings of the shareholders and secured creditors of the Petitioner Companies were dispensed with by the Hon'ble Tribunal vide its order. The Petitioner Companies conducted meetings of its unsecured creditors as per the directions of the Hon'ble Tribunal in its order dated 6th January 2023 on 14th March 2023. The scheme was approved by the requisite majority by the unsecured creditors of both the Petitioner Companies. The report declaring the results of the meetings by the respective Chairpersons appointed for the meetings and the NCLT appointed scrutinizer were submitted with the Hon'ble Tribunal on 23rd March 2023.
8. The Professional for the Petitioner Companies states that the Petitioner Companies have complied with all the requirements as per directions of the Hon'ble Tribunal. Moreover, the Petitioner Companies undertake to comply with all statutory requirements, if any, as required under the Companies Act, 2013 and the Rules & Regulations made there under. The said undertaking is accepted.



9. The Regional Director, Western Region on behalf of the Central Government has filed its Report dated 09th May 2023 ('Report'). The observations of the Central Government on the Scheme are submitted as paragraph 2 (a) to (k) of the Report. In response to the observation made by the Central Government, the Petitioner Companies have also given necessary undertakings and clarification vide their affidavit in reply to observations of the Regional Director, Western Region dated 10th May 2023. The observations made by the Central Government and the clarifications and undertakings given by the Petitioner Companies are summarized in the table below:

Para No.	Observations as per the report of the Regional Director, Western Region dated 9th May 2023	Response of the Petitioner Companies
2(a)	<p><i>a) "That on examination of Report of Registrar of Companies, Pune dated 08.05.2023 for Petitioner Companies (Annexed as Annexure A-1) that the Petitioner Companies fall within the jurisdiction of ROC, Pune. It is submitted that no representation regarding proposed scheme of Arrangement has been received against the Petitioner Companies. Further, the Petitioner Companies have filed the financials up to 31.03.2022.</i></p> <p><i>The ROC has further submitted that in its report dated 08.05.2023 that the matter may be decided on merits.</i></p>	<p>As far as the observation of the Regional Director, as stated in 2(a) is concerned, the contents thereof are factual observations and thus, does not require any response. Further, the Petitioner Companies confirm, that they have filed AOC-4 and MGT-7 up to 31st March 2022.</p>



2 (b)	<i>b) In compliance of AS-14 (IND AS-103), the petitioner companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (Ind-AS 8) etc.</i>	As far as the observation of the Regional Director, as stated in 2(b) is concerned, the Petitioner Companies undertake that in addition to compliance of AS-14 (IND-AS 103) and generally accepted accounting principles, the Petitioner Companies undertake to pass such accounting entries which are necessary in connection with the Scheme to comply with other applicable Accounting Standards such as AS-5 (IND-AS 8), if and to the extent applicable for accounting of the Scheme.
2 (c)	<i>c) The Hon'ble Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that the Scheme enclosed to the Company Application and the Company Petition are one and the same and there is no discrepancy, or no change is made.</i>	As far as the observation of the Regional Director, as stated in 2(c) is concerned, the Petitioner Companies hereby way of this affidavit confirm that the Scheme of Arrangement submitted with the Joint Company Scheme Application and the Joint Company Scheme Petition are one and the same and there are no discrepancies and no changes are made.



2 (d)	<p><i>d) The Petitioner Companies under the Provision of Section 230(5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by the amalgamation or arrangement. Further, the approval of the Scheme by the Hon'ble Tribunal may not deter such authorities to deal with any of the issues after giving effect to the Scheme. The decision of such authorities shall be binding on the Petitioner Companies concerned.</i></p>	<p>As far as the observation of the Regional Director, as stated in 2(d) is concerned, the Petitioner Companies confirm that they have served notices to regulatory authorities pursuant to the order of the Hon'ble NCLT dated 14th December 2022. The affidavit of service of notice was submitted with the Hon'ble NCLT on 27th February 2023. Further, the Petitioner companies affirm that the approval of the Scheme by the Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the Scheme. The Petitioner Companies affirm that the decisions of such authorities shall be binding on the Petitioner Companies.</p>
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2 (e)	<p><i>e) As per the definition of the Scheme</i></p> <p><i>“Appointed Date” means 1 April 2023 or such other date as may be fixed or approved by NCLT in relation to Demerger of Demerged Undertaking of the Demerged Company</i></p> <p><i>“Effective Date” means the last of the dates on which the certified copies of the orders sanctioning this Scheme, passed by the National Company Law Tribunal at Mumbai, are filed with the Registrar of Companies, Pune by the Demerged Companies and the Resulting Company collectively. Any reference in this Scheme to the date of “coming into effect of this Scheme” or “upon the Scheme being effective” shall mean the effective date.</i></p>	<p>As far as the observation of the Regional Director, as stated in 2(e) is concerned, the Petitioner Companies undertake that the Appointed Date for demerger of cooling business from the Demerged Company to the Resulting Company would be 1st April 2023 and the same would be in compliance with Section 232(6) of the Companies Act 2013 and the same shall be deemed to be effective from such Appointed Date. The same, therefore, meets the requirements clarified vide circular no. F. No. 7/12/2019 issued by the Ministry of Corporate Affairs. Further, the Petitioner Companies undertake to comply with the requirements clarified vide circular no. F. No. 7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.</p>
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In this regard, it is submitted that section 232(6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not a date subsequent to the appointed date. However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.

“Record Date” means the date fixed by the Board of Directors of the Demerged Company, in consultation with the Resulting Company, for the purpose of determining the Members of the Demerged Company to whom Redeemable Preference Shares in the respective Resulting Company will be allotted under the Scheme.

The Petitioners may be asked to comply with the requirements as clarified vide circular no. F. no. 7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.



2 (f)	<i>f) Petitioner Companies shall undertake to comply with the directions of the concerned sectoral Regulatory, if so required.</i>	As far as the observation of the Regional Director, as stated in 2(f) is concerned, the Petitioner Companies hereby confirm that none of the Petitioner Companies are governed by any Sectoral Regulators and therefore, this observation is not applicable upon the Petitioner Companies. Without prejudice to the above, the Petitioner companies affirm that the approval of the Scheme by the Hon'ble Tribunal may not deter any authorities to deal with any of the issues arising after giving effect to the Scheme. The Petitioner Companies affirm that the decisions of authorities, if any shall be binding on the Petitioner Companies.
2 (g)	<i>g) Petitioner Companies shall undertake to comply with the directions of Income tax department, if any.</i>	As far as the observation of the Regional Director, as stated in 2(g) is concerned, the Petitioner Companies hereby affirm that they had served notice along with copy of the Company Scheme Application and annexures thereto on the concerned Income Tax Authorities of the Petitioner Companies. However, the Income



		<p>Tax Authorities have neither submitted any representations nor given any directions to any of the Petitioner Companies. Further, the Petitioner Companies affirm that they would comply with directions of the Income Tax Authorities, if any, in the future.</p>
2(h)	<p><i>h) The Hon'ble Tribunal may kindly seek the undertaking that this Scheme is approved by the requisite majority or the members and creditors as per Section 230(6) of the Act in meetings duly held in terms of Section 230(1) read with 7 subsection (3) to (5) of Section 230 of the Act and the Minutes thereof are duly placed before the Tribunal</i></p>	<p>As far as the observation of the Regional Director, as stated in 2(h) is concerned, the Petitioner Companies submits that this Scheme is approved by the requisite majority of members and creditors as per Section 230(6) of the Act in meetings duly held in terms of Section 230(1) read with Section 230(3) to 230(5) of the Act, wherever applicable and ordered by this Hon'ble Tribunal. Further, the Petitioner Companies have complied with the directions of this Hon'ble Tribunal passed in C.A. (CAA) / 284 (MB) / 2022. The meeting of the equity shareholders were dispensed with by this Hon'ble Tribunal in C.A. (CAA) / 284 (MB) / 2022. Hence, no statement under Section 230(3) of the Companies Act, 2013 has been sent to Equity Shareholders. Further, there</p>



		<p>are no Secured Creditors in the Petitioner Companies hence no question arises to send any statement under Section 230(3) of the Companies Act, 2013 to any Secured Creditors. The Petitioner Companies had held meetings of the Unsecured Creditors in accordance with the directions of this Hon'ble Tribunal in C.A. (CAA) / 284 (MB) / 2022 and the present Scheme has been approved with requisite majority under the applicable provisions of the Companies Act, 2013</p>
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2(i)	<i>i) The Petitioner may be directed to place on record as to how the present scheme is in compliance with the Section 2(19AA) of the Income Tax Act, 1961.</i>	So far as the observation of the Regional Director, as stated in 2(i) is concerned, it is submitted that the Petitioner Companies have drawn up the Scheme to comply with the conditions laid down under the provisions of Section 2(19AA) of the Income-tax Act, 1961 in relation to “demerger”. The Petitioner Companies hereby undertakes to comply with conditions laid down under Section 2(19AA) of the Income-tax Act, 1961 read with Income-tax Rules, 1962, as may be applicable with respect to the present Scheme.
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<p><i>j) The Petitioner Company may be requested to place on record the List of Assets & Liabilities to be demerged and going to be transferred in the Resulting Company along with the value of Assets & Liabilities. However, both companies shall undertake to service creditors of Demerged Company as the appointed date of the Scheme.</i></p>	<p>So far as the observation of the Regional Director, as stated in 2(j) is concerned, all the assets and liabilities as on the Appointed Date (<i>as defined in the Scheme</i>) belonging to the Demerged Undertaking (<i>as defined in the Scheme</i>) of the Demerged Company shall be transferred and vested with the Resulting Company, upon coming into effect of the present Scheme. The Petitioner Companies have furnished the indicative statement of Assets and Liabilities at <u>Annexure 1</u> to be demerged and be transferred to the Resulting Company along with the indicative value of such assets and liabilities as on the appointed date, i.e., 1st April 2023 along with the Affidavit in reply to the observations of the Regional Director. The Petitioner Companies undertake that the liabilities getting transferred on the Effective Date will be taken care by both the Petitioner Companies.</p>
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<p><i>k) It is observed from clause 14 of the Scheme that the petitioner company has proposed to alter the object clause of the Resulting Company, therefore, petitioner company may be directed to undertake that the petitioner company shall file necessary forms with ROC for change of Object clause</i></p>	<p>As far as the observation of the Regional Director, as stated in 2(k) is concerned, the Petitioner Companies hereby undertake that the Second Petitioner Company (Resulting Company) shall file the requisite forms and undertake necessary compliances with the jurisdictional ROC for change of object clause in accordance with the present Scheme.</p>
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10. The observations made by the Regional Director, Western Region on behalf of the Central Government are enlisted herein in Para 9 above along with response of the Petitioner Companies on the observations of the Regional Director, Western Region filed vide affidavit of the Petitioner Companies dated 10th May 2023. The clarifications and undertakings given by the Petitioner Companies in Para 9 above are accepted by this Tribunal.
11. Shri. Tushar Wagh, Deputy Director representative of the RD (WR) MCA, present at the time of hearing has submitted that the explanations and clarifications given by the petitioner companies are found to be satisfactory and stated that they have no objection for approving the Scheme by this Tribunal.



12. The Professional for the Petitioner Companies further submits that the issued, subscribed and paid-up share capital of the Demerged Company shall stand reduced from INR 20,00,00,000 (Rupees Twenty Crores Only) divided into 2,00,00,000 (Two Crores Only) equity shares with face value of INR 10 (Rupees Ten Only) per equity share to INR 10,00,00,000 (Rupees Ten Crores Only) divided into 2,00,00,000 (Two Crores Only) equity shares with face value of INR 5 (Rupees Five Only) per equity share without any payment or consideration to the shareholders of the Demerged Company for effecting such reduction in face value and paid-up value per equity share, without any further act or deed as per Para 6 of the Scheme.
13. From the material on record, the Scheme appears to be fair and reasonable and is not violate of any provisions of law and is not contrary to public policy.
14. The Professional for the Petitioner Companies further submits that, in consideration of transfer and vesting of the Demerged Undertaking of the Demerged Company to the Resulting Company in accordance with this Scheme, the Resulting Company shall issue and allot to every shareholder of the Demerged Company, holding fully paid up shares in the Demerged Company and whose names appear in the register of members of the Demerged Company on the Record Date or to such of their heirs, executors, administrators or the successors-in-title in the following manner:
- “85 (Eighty-Five) 10% Redeemable Preference Shares of the Resulting Company of INR 100 each credited as fully paid up for every 1000 (One Thousand) equity shares held in the Demerged Company of INR 10 each fully paid up.*
- Further, on Part B of the Scheme (re-organisation of share capital and reduction of paid-up share capital of the Demerged Company) becoming effective as provided in the Scheme, INR 10 to be read as INR 5.”*



15. Since all the requisite statutory compliances have been fulfilled, C.P. (CAA) / 83 / MB / 2023 connected with C.A. (CAA) / 284 / MB / 2022 filed by the Petitioner Companies is made absolute in terms of prayer clauses of the said Company Scheme Petition.
16. The Scheme annexed at **Annexure 7** to the Company Scheme Petition is hereby sanctioned, and the Appointed Date of the scheme is 1st April 2023. It shall be binding on the Petitioner Companies involved in the Scheme and all concerned including their respective Shareholders, Secured Creditors, Unsecured Creditors/Trade Creditors, Employees and/or any other stakeholders concerned.
17. The Petitioner Companies are directed to file a certified copy of this Order along with the copy of Scheme with the concerned Registrar of Companies, electronically in e-form INC-28 within 30 days or an extended timeline with payment of additional fees, as may be applicable, from the date of receipt of the Order duly certified by the Designated Registrar of this Tribunal. The Scheme will become effective on filing of the copy of this order with the concerned Registrar of Companies.
18. The Petitioner Companies shall lodge a copy of this Order along with the Scheme duly certified by designated Registrar of this Tribunal, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, within a period of 60 working days from the date of the receipt of the certified copy of the Order from the Registry of this Tribunal.
19. All concerned regulatory authorities to act on a copy of this Order along with Scheme duly certified by the designated Registrar of this Tribunal.



20. Any person interested shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.
21. Any concerned authorities are at liberty to approach this Tribunal for any further clarification as may be necessary.
22. Ordered accordingly. C.P. (CAA) / 83 / MB / 2023 in C.A. (CAA) / 284 / MB / 2022 is “**allowed**” and “**disposed-off**”.

SD/-

Madhu Sinha
Member (Technical)

/Aakansha/

SD/-

Reeta Kohli
Member (Judicial)