

THERMAX LIMITED

Regd. Office : D-13, M.I.D.C. Industrial Area, R.D. Aga Road, Chinchwad, Pune - 411 019

Corporate Identity Number - L29299PN1980PLC022787

Standalone Audited Financial Results For The Quarter and Year Ended March 31, 2014

Sr. No.	Particulars	(Rs. in Lakh)					Segmentwise Revenue, Results and Capital Employed					(Rs. in Lakh)									
		3 months ended		3 months ended		3 months ended		Year ended		Year ended		3 months ended		3 months ended		3 months ended		Year ended		Year ended	
		31.03.2014	31.12.2013	31.12.2013	31.03.2013	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.12.2013	31.03.2013	31.03.2013	31.03.2014	31.03.2013	31.03.2013	31.03.2014	
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)						(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	
		Refer Note 5		Refer Note 5								Refer Note 5		Refer Note 5							
Part I : Statement of Standalone Results for the Quarter and Year Ended March 31, 2014																					
1	(a) Net Sales/Income from Operations (Net of excise duty)	135745.37	100185.41	144872.96	423996.51	463185.40	1 Segment Revenue	109675.00	76706.79	113913.62	328254.07	363825.15									
	(b) Other Operating Income	2507.29	1192.07	1946.62	6219.85	5902.16	a Energy	29783.60	25381.23	34997.94	105978.81	113097.85									
	Total Income from Operations (net)	138252.66	101377.48	146819.58	430216.36	469087.56	b Environment	139458.60	102088.02	148911.56	434232.88	476923.00									
2	Expenses :						Total	1205.94	710.54	2091.98	4016.52	7835.44									
	(a) Cost of materials consumed	88195.47	64376.34	96237.13	265902.31	305846.19	Less: Inter Segment Revenue														
	(b) Purchases of stock-in-trade	2862.75	3767.10	3534.93	10980.78	11789.30	Total Segment Income	138252.66	101377.48	146819.58	430216.36	469087.56									
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(39.27)	(113.70)	497.20	(407.89)	(263.45)	2 Segment Results														
	(d) Employee benefits expense	11886.79	10388.43	10778.39	42263.81	40157.59	Profit/(Loss) before Tax and Interest														
	(e) Depreciation and amortisation expense	1481.49	1471.71	1451.49	5777.44	5486.30	a Energy	12319.38	8323.51	11905.98	37182.12	37974.88									
	(f) Other expenses	21959.23	13874.87	19047.05	70555.84	60845.22	b Environment	776.11	585.63	4127.44	5924.47	11880.67									
	Total expenses	126346.46	93764.75	131546.19	395072.29	423881.15	Total	13095.49	8909.15	16033.42	43106.59	49855.55									
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1+2)	11906.20	7612.73	15273.40	35144.07	45226.41	Less: Interest	388.39	227.85	47.14	884.92	964.63									
4	Other Income	3512.19	2291.05	2442.82	6429.87	7301.26	Less: Other Unallocable Expenditure net of unallocable income	(2,322.90)	(994.64)	(1,682.80)	1532.65	(2672.12)									
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	15418.39	9903.78	17716.22	41573.94	52527.67	Total Profit before Tax	15030.00	9675.93	17669.08	40689.02	51563.04									
6	Finance costs	388.39	227.85	47.14	884.92	964.63	3 Capital Employed														
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5+6)	15030.00	9675.93	17669.08	40689.02	51563.04	a Energy	29273.29	17797.98	53376.03	29273.29	53376.03									
8	Exceptional items						b Environment	34344.69	34030.52	27894.53	34344.69	27894.53									
9	Profit (+) / Loss (-) from Ordinary Activities before Tax (7+8)	15030.00	9675.93	17669.08	40689.02	51563.04	c Unallocated	138881.43	147662.25	105656.78	138881.43	105656.78									
10	Tax expense (Refer Note '3')	4439.30	3011.43	6135.78	15392.02	16566.93	Total Capital Employed	202499.40	199490.73	186927.34	202499.40	186927.34									
11	Net Profit / (Loss) from Ordinary Activities after Tax (9-10)	10590.70	6664.50	11532.29	25297.00	34996.11															
12	Extraordinary Items (net of tax expenses)																				
13	Net Profit / (Loss) for the Period (11-12)	10590.70	6664.50	11532.29	25297.00	34996.11															
14	Paid-up Equity Share Capital (Face Value of Rs. 2/- each)	2383.13	2383.13	2383.13	2383.13	2383.13															
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				200116.27	184544.21															
16	Earnings Per Share before and after Extraordinary Items (not annualised)																				
	Basic and Diluted Rs.	8.89	5.99	9.68	21.23	29.37															
Part II : Select Information for the Quarter and Year Ended March 31, 2014																					
A) Particulars of Shareholding																					
1	Public Shareholding																				
	Number of Shares	45300995	45300995	45300995	45300995	45300995															
	Percentage of Shareholding	38.02%	38.02%	38.02%	38.02%	38.02%															
2	Promoters and Promoter group shareholding																				
(a)	Pledged / Encumbered																				
	Number of shares	Nil	Nil	Nil	Nil	Nil															
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)																				
	Percentage of shares (as a % of the total share capital of the company)																				
(b)	Non-encumbered																				
	Number of shares	73855305	73855305	73855305	73855305	73855305															
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%															
	Percentage of shares (as a % of the total share capital of the company)	61.98%	61.98%	61.98%	61.98%	61.98%															
B) Investor Complaints																					
3 months ended March 31, 2014																					
	Pending at the beginning of the quarter			Nil																	
	Received during the quarter			8																	
	Disposed of during the quarter			8																	
	Remaining unresolved at the end of the quarter			Nil																	
Notes :																					
1. The above financial results, reviewed by the Audit Committee, were approved at the meeting of the Board of Directors held on May 27, 2014																					
2. The Board of Directors has recommended a dividend of Rs. 6/- per share of face value of Rs. 2/- (300%) which is subject to approval of shareholders at Annual General Meeting.																					
3. Tax expense for the current year includes Rs. 2900 Lakh (Rs. 3456 Lakh for Thermax Group) being provision made for estimated liability likely to arise upon its claim for deduction of certain business expenses being held inadmissible consequent to a survey u/s 133A of the Income Tax Act, conducted by the Income Tax Department in October 2013. Consequential orders to the extent received have been contested by the Company in appeal.																					
4. Additional Information : Key audited financial parameters/figures (Consolidated) for the Thermax Group are as follows :																					
		Year ended		(Rs. in Lakh) Year ended																	
	Total Income from operations	March 31, 2014		March 31, 2013																	
	Profit Before Tax	509987.58		549170.17																	
	Profit After Tax and minority interest (Refer Note '3' above)	38933.98		48140.15																	
		24599.00		32013.60																	
5. The figures for the last quarter of FY 2013-14 and of FY 2012-13 are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto third quarter.																					
6. Previous periods' figures, including those related to Segments, have been regrouped wherever necessary to conform to current periods' grouping and classification.																					
Sustainable Solutions in Energy & Environment																					
Pune May 27, 2014																					
For Thermax Limited Mrs. Maher Pichunjee Chairperson																					



Press Release

Thermax improves order booking

Pune, May 27, 2014

In a subdued economic environment where investments continue to be stalled, during FY 2013-14, Thermax Limited, a leader in energy and environment solutions, improved its order booking by 11% to Rs. 5394 crore (Rs. 4859 crore, previous year).

During the year, Thermax bagged a prestigious order worth Rs. 1700 crore from a leading petrochemical company for the design, manufacturing and commissioning of 9 CFBC (circulating fluidised bed combustion) high pressure boilers.

The order backlog on a consolidated basis, as on March 31, 2014, was at Rs. 6121 crore, a 25% improvement from last year's Rs. 4878 crore.

For fiscal 2013-14, the company posted an operating revenue of Rs. 4302 crore, lower by 8 % compared to Rs. 4691 crore, the previous year. The company's annual profit-after-tax dipped by 28% at Rs. 253 crore from last year's Rs. 350 crore.

Export income including deemed exports during the financial year at Rs. 1101 crore (Rs. 984 crore) accounted for 26 % of the revenue.

Thermax registered a Q4 net profit of Rs.106 crore (Rs. 115 crore) on revenues of Rs. 1383 crore (Rs. 1468 crore).

The Group's consolidated revenue stood at Rs. 5100 crore (Rs. 5492 crore). Profit after tax and minority interest on a consolidated basis for the year was Rs. 246 crore (Rs. 320 crore). Consolidated earnings per Rs. 2/- share was Rs. 20.64, compared to Rs. 26.87 in 2012-13.

The Board recommended a dividend of 300% for 2013-14.

About Thermax Limited: Thermax Limited, a leading energy and environment solutions provider, is one of the few companies in the world that offers integrated innovative solutions in the areas of heating, cooling, power, water and waste management, air pollution control and chemicals. The sustainable solutions Thermax develops for client companies are environment-friendly and enable efficient deployment of energy and water resources. For more information visit www.thermaxindia.com



INDEPENDENT AUDITOR'S REPORT

To the Members of Thermax Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Thermax Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2014, and the Statements of Profit and Loss and Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act (the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

As required by Section 227(3) of the Act, we report that:

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss and Cash Flow dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, the Statements of Profit and Loss and Cash Flow dealt with by this report, comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated



13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;

- e. On the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For **B. K. Khare & Co.**
Chartered Accountants
Firm's Registration Number 105102W

H. P. Mahajani
Partner
Membership Number: 030168



Place: Pune
Date:

Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

- (i)
 - (a) The Company has maintained proper records to show full particulars, including quantitative details and situation, of its fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the management in accordance with a planned program of physical verification which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) There was no disposal of a substantial part of fixed assets during the year.
- (ii)
 - (a) The Management has conducted physical verification of inventory at reasonable intervals during the year.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company has maintained proper records of inventory and the discrepancies noticed on physical verification of inventories were not material and have been properly dealt with in the books of account.
- (iii) The Company has not taken or granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, provisions of the clause 4 (iii) (a), (b), (c), (d), (e), (f) and (g) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct major weakness in the internal control system of the Company in respect of these areas.
- (v)
 - (a) As per information and explanation given to us, there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (v) (b) of the Order is not applicable to the Company and hence not commented upon.



- (vi) The Company has not accepted any deposits within the meaning of Section 58A and Section 58AA of the Act and the rules framed there under.
- (vii) In our opinion, the Company's present internal audit system is commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records maintained as aforesaid.
- (ix)
 - (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth Tax, Sales-tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues as applicable.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Wealth-Tax, Service Tax, Sales-Tax, Customs Duty, Excise Duty, Cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (c) According to the records of the Company and the information and explanations given to us, the outstanding dues of Sales-tax, Income-tax, Custom Duty, Wealth tax, Service tax, Excise Duty and Cess matters on account of a dispute are as follows:



Name of Statute	Nature of Dues (including interest and penalty as applicable)	Forum where the dispute is pending	Period to which amount related	Disputed dues, not deposited (Rs in Cr)
Central Excise Act. 1944	Excise duty	CESTAT	2001-02, 2003-04, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2012-13, 2013-14	17.27
		Supreme court	1997-98, 2006-07	5.44
Central Sales Tax Act and local Sales Tax (Including Works Contract)	Sales tax	Appellate Authority up to Commissioner level	1992-93, 2001-02, 2003-04, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11	13.2
		High Court	2000-01, 2001-02, 2002-03, 2003-04, 2004-05	1.24
		Tribunal	2006-07, 2008-09	1.24
Custom Act. 1962	Custom duty	CESTAT	2005-06	0.41
ESI Act , 1948	Dues	ESI Court	1989-91	0.08
Income Tax Act, 1961	Income Tax	Appellate Authority up to Commissioner's level	2003-04, 2007-08 to 2013-14	8.65
Maharashtra Mathadi, Hamal, and other Manual Workers Act 1969	Applicability of Mathadi Act	High Court	2008-09	0.27
Service Tax (Finance Act,1994)	Service tax	CESTAT	2012-13	0.13

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.



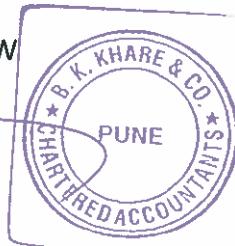
- (xi) Based on our audit procedures and as per the information and explanations given by the Management, in our opinion, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanation given to us the Company is not a dealer or trader in, securities, debentures and other investments. However, in respect of transactions relating to investments in certain securities, the Company has maintained proper records of transactions and contracts during the year and timely entries have been made there in. Such securities have been held by the Company in its own name.
- (xv) Based on the information and explanations given to us, in our opinion, the terms and condition on which the Company has given counter guarantees/ corporate guarantees on behalf of its subsidiaries to the banks during the year, are not prima facie prejudicial to the interest of the Company.
- (xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvii) Based on the information and explanations given to us and on an overall examination of the balance sheet of the Company, in our opinion, funds raised on short term basis have not been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money through public issue during the year.

- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no significant instance of fraud on or by the Company has been noticed or reported during the year.

For B. K. Khare & Co.

Chartered Accountants

Firm registration number: 105102W



H. P. Mahajani

Partner

Membership No.: 030168

Place: Pune

Date: