

Corporate Governance Report

1. Thermax's Philosophy on Corporate Governance

Thermax believes in following, in letter and spirit, high standards of corporate governance so that the company's performance will have a positive impact on its stakeholders – customers, shareholders, employees, vendor partners and business associates, larger community and governments of countries where it operates. It upholds the core tenets of corporate governance for sustained growth and financial performance.

In order to enhance and retain the trust of its stakeholders, your company is committed to ethical business conduct, integrity and commitment to values, transparency and accountability, essential features of effective corporate governance.

Empowered by the Board, your company's key management officials implement policies and guidelines related to corporate governance. Our corporate governance framework is guided by our core values and is based on the following principles:

Corporate Governance at Thermax



2. Board of Directors

During the year, the Board of your company comprises nine directors – two non-executive promoter directors, six independent directors and the managing director & CEO.

A. Composition of the Board

The company believes that its Board needs to have an appropriate mix of executive, non-executive and independent directors to maintain its independence, and separate its functions of governance and management. The Board of your company comprises nine directors – consisting of one non-executive and non-independent chairperson, one non-executive director, one executive director, and six independent directors (out of whom one is a woman independent Director). This is in conformity with the requirement of Regulation 17 of the Listing Regulations. The Board periodically evaluates the need for change in its size and composition.

The table below gives the composition of the Board and inter alia the outside directorships held by each of the directors of the company during the financial year 2019-20.

Name of the Director	Pecuniary or Business Relationship with the Company	Number of other Director-ships [@]	Committee Position [#]		Number of Shares held in the Company
			Chairperson	Member	
NON-EXECUTIVE PROMOTER					
Meher Pudumjee	None Except*	1	0	1	-
Pheroz Pudumjee	None Except*	0	1	1	6,000
INDEPENDENT					
Dr. Valentin A. H. von Massow	None	0	0	0	-
Dr. Jairam Varadaraj	None	10	1	6	-
Nawshir Mirza	None	2	3	0	-
Harsh Mariwala	None	6	0	1	-
S. B (Ravi) Pandit	None	2	0	1	-
Rajani Kesari	None	2	0	1	-
EXECUTIVE					
M. S. Unnikrishnan	N.A.	3	0	1	-

@ Includes only listed companies and unlisted public companies

Includes only Audit Committee and Stakeholders' Relationship Committee

* During the year (2019-20), the company has paid Rs. 13,61,220/- to Meher Pudumjee as rent for premises taken on lease. The company has paid Rs. 13,61,220/- to Pheroz Pudumjee, being rent for premises taken on lease and maintained Rs. 18,00,000/- as security deposit.

The company has also paid Rs. 23,50,000/- as rent and given security deposit of Rs. 35,00,000/- to Anu Aga (promoter and relative of Meher Pudumjee and Pheroz Pudumjee, Directors of the company) for premises taken on lease.

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Attendance and Remuneration of Each Director During the Financial Year 2019-20

Name of the Director	Attendance at AGM (August 8, 2019)	Total Attendance at Board Meetings	Sitting Fees*	Salary and Perquisite	Commission [†]	Total Remuneration
						Amount in Rs.
Meher Pudumjee	P	5	6,00,000	NA	45,00,000	51,00,000
Dr. Valentin A. H. von Massow	P	5	5,50,000	NA	36,59,324 @	42,09,324
Pheroze Pudumjee	P	5	7,50,000	NA	20,00,000	27,50,000
Dr. Jairam Varadaraj	P	5	7,00,000	NA	20,00,000	27,00,000
Nawshir Mirza	P	4	5,50,000	NA	35,00,000	40,50,000
Harsh Mariwala	A	5	3,50,000	NA	25,00,000	28,50,000
S. B. (Ravi) Pandit	P	5	5,50,000	NA	15,00,000	20,50,000
Rajani Kesari	P	4	3,50,000	NA	15,00,000	18,50,000
M. S. Unnikrishnan	P	5	NA	3,99,61,562	1,60,00,000	5,59,61,562

NA = Not applicable

* Sitting fees also include payments for Board appointed committee meetings

† The commission proposed for the year ended March 31, 2020 will be paid, subject to deduction of tax, and as per the provisions of the Companies Act, 2013

@ Euro 44,014 (rate as on March 31, 2020 is Rs. 83.14 per EURO)

The non-executive directors are entitled to reimbursement of expenses incurred in the performance of duties as directors

B. Number of Meetings of the Board Held During the Year and the Dates of Meetings

The Board met five times during the financial year 2019-20 on the following dates: May 22, 2019, August 8, 2019, November 13, 2019, February 4, 2020, and March 13, 2020. The maximum time gap between any two sequential meetings was not more than 120 days.

C. Confirmation and Certification from Practising Company Secretary

On an annual basis, the company obtains from each director, details of the Board and Board Committee positions he/she occupies in other companies, and changes, if any, regarding their directorships. The company has obtained a certificate from M/s. SVD & Associates, Practising Company Secretary, Pune, confirming that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report.

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D. Details of Directorships Held in Other Listed Entities

Sr. No.	Name of the Director	Name of Listed Entity	Category
1	Meher Pudumjee	--	--
2	Pheroz Pudumjee	--	--
3	M.S. Unnikrishnan	KEC International Limited	Independent Director
4	Nawshir Mirza	Exide Industries Limited	Independent Director
5	Jairam Varadaraj	Elgi Equipments Ltd.	Managing Director
		Precot Meridian Ltd.	Director
		Magna Electro Castings Ltd.	Director
		Elgi Rubber Company Ltd.	Director
6	Valentin von Massow	-	-
7	Harsh Mariwala	Marico Limited	Chairman & Non-Executive Director
		Kaya Limited	Chairman & Managing Director
		Zensar Technologies Limited	Independent Director
		JSW Steel Limited	Independent Director
8	S.B. (Ravi) Pandit	KPIT Technologies Limited	Whole - Time Director
9	Rajani Kesari	--	--

E. Disclosure of the Relationship Between Directors Inter se

Meher Pudumjee and Pheroz Pudumjee are related to each other.

F. Familiarisation Programme Imparted to Independent Directors

Through this familiarisation programme, the company intends to achieve the following objectives:

- To apprise the directors about the business model, corporate strategy, nature of the industry, business plans and operations of the company
- To familiarise them with the company's financial performance, annual budgets, internal control processes and statutory compliances
- To apprise them about their roles and responsibilities in the company

- To familiarise them with the company's vision, values, ethics, and corporate governance practices

The independent directors are provided with necessary documents, business model, annual budgets, significant developments, reports and internal policies to enable them to familiarise with the company's procedures and practices.

Periodic presentations are made at the Board and committee meetings on business and performance updates of the company, global business environment, business strategy and risks involved. Detailed presentations on the company's business segments are made at the Board retreat. Quarterly updates on relevant statutory, regulatory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the directors. Site visits to various plant locations are organised for the independent directors to enable them to understand and acquaint with the operations of the company. The details of such familiarisation programme for independent directors are put upon the company's website and can be accessed at www.thermaxglobal.com

G. Board Independence

Our definition of 'independence' of directors is derived from Section 149(6) of the Companies Act, 2013 and Regulation 16 of Listing Regulations. The independent directors provide an annual confirmation that they meet the criteria of independence. Based on the confirmations/disclosures received from the directors and on evaluation of the relationships disclosed, supported by a certificate from M/s. SVD & Associates, Practising Company Secretary, Pune, as per the requirement of Regulation 25(8) of the Listing Regulations, the Board confirms, that the independent directors fulfil the conditions as specified under Schedule V of the Listing Regulations, 2015 and are independent of the management.

H. Independent Directors' Meeting

During the year under review, the independent directors met once on March 13, 2020 where all independent directors were present *inter alia* to review the performance of the Board, chairperson and non-independent directors of the company. They also reviewed the quality, quantity, timelines and flow of information between the management and the Board.

I. Board Evaluation

As a part of the annual Board evaluation, detailed questionnaires were circulated to all the directors. The chairperson of the Board and the chairman of the Nomination and Remuneration Committee (NRC) evaluated the Board's performance and that of its committees. The chairperson of each committee shared the outcome of the evaluation process. The Board conducted evaluation of independent directors which included performance of directors and fulfilment of criteria as specified in SEBI (LODR) (Amendment) Regulations, 2018, and their independence from the management, where the independent directors did not participate.

J. Board Support

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the agenda and convening of the Board and Committee meetings. The Company Secretary attends all the meetings of the Board and its Committees, in the capacity of Secretary of the Committees. The Company Secretary advises / assures the Board and its Committees on compliance and governance principles and ensures appropriate recording of minutes of the meetings. With a view to leverage technology and reducing paper consumption, the company has adopted a web-based application for transmitting Board / Committee agenda and pre-reads. The directors of the company receive the agenda and pre-reads in electronic form through this application, which can be accessed through browsers or other electronic devices. The application meets high standards of security and integrity that are required for storage and transmission of Board / Committee agenda and pre-reads in electronic form.

K. Core Skills/ Expertise/ Competencies Available with the Board

In terms of requirement of Listing Regulations, 2015, the Board has identified the following core skills / expertise / competencies of the directors in the context of the company's business for effective functioning as given below:

Director	Industry Knowledge	Leadership	Expertise & Experience in Finance	Strategy & Planning	Board Governance	Mergers & Acquisitions	Exposure in Policy Shaping and Industry Advocacy	Sales & Marketing
Meher Pudumjee	✓	✓		✓	✓			
Pheroz Pudumjee	✓	✓		✓	✓			✓
M.S. Unnikrishnan	✓	✓	✓	✓	✓	✓	✓	✓
Harsh Mariwala		✓	✓	✓	✓	✓		✓
Dr Valentin von Massow	✓			✓				
Nawshir Mirza	✓⊙	✓	✓	✓⊙	✓	✓	✓⊙	✓⊙
S. B. (Ravi) Pandit		✓	✓	✓	✓	✓		
Dr Jairam Varadaraja		✓		✓	✓	✓		✓
Rajani Kesari	✓	✓	✓	✓	✓	✓		

⊙ Partly yes

3. Board and Committees Composition

The members of the committees are co-opted by the Board. The Board constitutes the committees and defines their terms of reference. The Board at present has six committees. The composition of the Board Committees is as under:

Name of Director	Meher Pudumjee	Pheroze Pudumjee	M. S. Unnikrishnan	Dr. Valentin A.H. Von Massow	Dr. Jairam Varadaraj	Nawshir Mirza	Harsh Mariwala	S B (Ravi) Pandit	Rajani Kesari
Board									
Audit Committee									
Stakeholders' Relationship Committee									
Corporate Social Responsibility Committee									
Risk Management Committee									
Nomination and Remuneration Committee									
Strategic Business Development Committee									
International Investment Committee									

A. Audit Committee

The committee presently comprises four members, all non-executive directors. The Chairman of the committee, Nawshir Mirza, is a fellow member of The Institute of Chartered Accountants of India. Pheroze Pudumjee, Dr. Jairam Varadaraj and Rajani Kesari are the other members of the committee. On August 8, 2019 the nomenclature of the committee was changed from Audit & Risk Management Committee to Audit Committee.

The committee met four times during the financial year 2019-20 on May 21, 2019, August 7, 2019, November 12, 2019 and February 3, 2020. Details of meetings attended by the members are as follows:

Committee Members	Category	Number of Meetings Attended
Pheroze Pudumjee	Non-Executive Promoter	4
Nawshir Mirza	Independent	4
Dr. Jairam Varadaraj	Independent	4
Rajani Kesari	Independent	3

The constitution of the committee meets the requirements of Section 177 of the Companies Act, 2013.

The committee reviews various aspects of internal controls, internal auditors' reports on a regular basis. The committee also reviews information as per Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The internal auditor presents to the committee, observations and recommendations arising out of internal audits and also on issues having an impact on the control system and compliance. The Chief Financial Officer, Chief Internal Auditor and the representatives of Statutory Auditors are permanent invitees and attend all the meetings of the committee. The Company Secretary acts as the secretary to the committee.

The Board has approved the revised charter of the Audit Committee defining its role, responsibilities, powers and processes as amended pursuant to the SEBI (LODR) (Amendment) Regulations, 2018. The revised charter is available on the company's website i.e. www.thermaxglobal.com

The terms of the charter broadly include:

- Overseeing the processes that ensure the integrity of financial statements
- Overseeing the processes for compliance with laws and regulations to ensure their effectiveness
- Approving transactions with related parties
- Enquiring into reasons for any default by the company in honouring its obligations to its creditors and members
- Overseeing the quality of internal accounting and other controls
- Overseeing the quality of financial reporting process, including the selection of accounting policies
- Ensuring the independence of the auditor
- Recommending to the Board the appointment and remuneration of the auditors
- Scrutinising inter-corporate loans and investments
- Monitoring the end use of funds raised through public offers, if any
- Conducting the valuation of any undertaking or asset of the company
- Structure the internal audit function and to approve the appointment of the Chief Internal Auditor
- Bringing to the notice of the Board any lacunae in the code of conduct
- Reviewing with the CEO and the CFO of the company the underlying process followed by them in their annual certification to the Board
- Approving the appointment of the CFO
- Recommending to the Board the appointment and remuneration of the secretarial and cost auditors
- Reviewing the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments
- Review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015
- Verify internal control system to prevent insider trading are adequate and are operating effectively

B. Nomination & Remuneration Committee (NRC)

The committee presently comprises four members, all non-executive directors. Harsh Mariwala (Chairman), Dr Jairam Varadaraj, Dr. Valentin A. H. von Massow and Meher Pudumjee are the members of the committee.

The committee met twice during the financial year 2019-20 on May 21, 2019, and February 3, 2020 where all members were present.

The broad terms of reference of the committee are:

- Evaluate the performance, including extension of contracts of Executive Directors (EDs). The NRC would set the performance measures of EDs and evaluate their performance annually
- Recommend the remuneration for the EDs based on evaluation
- Evaluate the performance of senior management (one level below the EDs), including their employment extensions
- Recommend the remuneration of the senior management based on the evaluation
- Evaluate the need for EDs and recommend their appointment
- Identify all critical positions in the company among the EDs and senior management and review progress of succession plans
- Recommend to the Board, the policy relating to the remuneration of directors and key management personnel
- Lay down criteria for selecting new Non-Executive Directors (NEDs) based on the requirements of the organisation
- Carry out evaluation of the performance of NEDs and define the system for linking it to their remuneration
- Review the succession plan for those NED positions that are likely to be vacant during the year
- Recommend to the Board, the appointment and removal of directors
- Review and approve, the annual compensation of the organisation, including a benchmarking with other companies
- Ensure periodic meeting of the senior management with the directors
- Initiate and review employee engagement surveys
- Review and approve the code of conduct for the company
- Review and approve the disclosures of the committee in the Annual Report
- Formulate policies related to human resources, including diversity

Details of Remuneration:

Non-Executive Directors

In recognition of the contribution by the NEDs, especially in adherence to the corporate governance policies and practices, the Board had adopted guidelines to remunerate the directors by way of commission.

The Nomination & Remuneration Committee (NRC) of the Board has framed a policy on selection and appointment of directors and their remuneration. Based on the recommendation of the NRC, the Board has approved the policy, which forms the basis for the remuneration of directors for the year 2019-20. The policy broadly consists of:

- Criteria for selection and appointment of directors and their remuneration
- Method of performance evaluation

As per the policy, the non-executive directors, apart from receiving sitting fees for attending Board/Committee meetings, will be entitled to receive a commission on the net profits of the company.

The NRC may recommend payment of commission on a uniform basis or may recommend higher commission to directors who are the chairman of the Board or other committees, taking into consideration the higher responsibilities taken by them.

Furthermore, as per the policy, the NRC, while determining the quantum of commission, may consider membership of the directors on the committees and their attendance at various meetings.

Based on the above and the recommendation of NRC, the Board has approved payment of remuneration to the directors.

Managing Director & CEO

The company's Board at present comprises one Executive Director, namely, M.S. Unnikrishnan, who was reappointed as Managing Director & CEO effective July 1, 2017, for a period of three years. The remuneration of the managing director is governed by the agreement dated August 1, 2017, between the company and M.S. Unnikrishnan, which has been approved by the Board of Directors and the shareholders. The remuneration broadly comprises fixed and variable components, i.e. salary, allowances, perquisites and other benefits. The variable component comprises a performance bonus. The NRC has recommended a remuneration policy for appointment of directors and their remuneration which has been approved by the Board. As per the policy, while determining remuneration payable to the Managing Director & CEO, the following factors are considered:

- a. The clarity of relationship between remuneration and performance
- b. Balance between fixed and incentive pay reflecting short and long term performance objectives,

appropriate to the working of the company and its goals

- c. Responsibilities required to be shouldered by the Managing Director & CEO as per industry benchmarks and current trends
- d. Performance of the company vis-à-vis the annual budget and individual performance vis-à-vis the KRAs / KPIs

C. Stakeholders' Relationship Committee

The Committee comprises four members, Pheroze Pudumjee (Chairman), Meher Pudumjee, M. S. Unnikrishnan and S. B. (Ravi) Pandit.

The committee met four times during the financial year 2019-20 on May 22, 2019, August 8, 2019, November 13, 2019 and February 4, 2020 where all members were present.

The broad terms of reference of the committee are:

- To approve and register transfer and/ or transmission of shares
- To approve dematerialisation and rematerialisation of the company's shares
- To affix or authorise affixing of the common seal of the company on the share certificates
- To look into the shareholders/investors/debenture holders/security holders grievances and redress them
- To review measures taken for effective exercise of voting rights by shareholders
- To review adherence to the service standards adopted by the listed entity with respect to various services being rendered by the Registrar & Share Transfer Agent
- To review various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company
- To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The committee reviews the performance of KFin Technologies Private Limited (erstwhile Karvy Fintech Private Limited), the company's Registrar and Transfer Agent (RTA) and also recommends measures for overall improvement for better investor services. The committee specifically looks into complaints of shareholders and investors pertaining to transfer/transmission of shares, non-receipt of share certificates, non-receipt of dividend, etc.

Procedure of Share Transfer

The Board has empowered the Stakeholder Relationship Committee to, *inter alia*, approve share transfers to reduce the lead-time for processing transfer of shares lodged. The committee has delegated powers to the RTA to approve share transfer, transmission, and transposition.

Summary of Complaints During FY2019-20

Nature	Opening Balance	Received	Resolved	Closing Balance
Non-Receipt of Dividend	Nil	19	19	Nil
Non-receipt of share certificate after transfer/consolidation/transmission exchange/split/merger	Nil	6	6	Nil
Letters from Statutory Authorities	Nil	1	1	Nil
Total	Nil	26	26	Nil

All complaints were resolved to the satisfaction of the shareholders, and no complaint remained unattended/pending for more than 30 days as on March 31, 2020. During the year, 1 physical share transfer comprising 500 equity shares was processed.

Shares Transferred to IEPF

In accordance with the provisions of Section 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF rules), dividends not encashed/claimed within seven years from the date of declaration are to be transferred along with relevant shares, to the Investor Education and Protection Fund (IEPF) authority.

Members can claim such transferred dividend/shares from the IEPF authority.

In accordance with the IEPF rules and its amendments, the company has sent notices to all the shareholders whose shares were due to be transferred to IEPF authority and also simultaneously advertised in newspapers.

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) rules, 2016/Investor Education and Protection Fund (Awareness and Protection of Investors) rules, 2001, total 48,974 shares of 44 shareholders of the company were transferred on September 27, 2019 to the IEPF.

Compliance Officer

Kedar P. Phadke, Company Secretary is the Compliance Officer for complying with the requirements of the Securities Laws and the Listing Agreements with the Stock Exchanges.

D. Corporate Social Responsibility (CSR) Committee

The committee comprises three members, Meher Pudumjee (Chairperson), Nawshir Mirza and S. B. (Ravi) Pandit.

The committee met twice during the financial year 2019-20 on May 22, 2019 and November 11, 2019 where all the members were present.

The broad terms of reference of this committee are:

- To formulate and recommend to the Board a CSR policy which shall indicate the activities to be undertaken by the company as specified under Schedule VII of the Companies Act, 2013
- To recommend the amount of expenditure to be incurred on the CSR activities and
- To monitor the CSR policy of the company from time to time
- Any other matter that may be referred to by the Board from time to time or as may be necessary for compliance with the Companies Act, 2013 or rules made thereunder or any other statutory laws of India

E. Risk Management Committee

The Risk Management Committee of the Company comprises Nawshir Mirza (Chairman), Dr. Jairam Varadaraj, Pheroze Pudumjee and Rajani Kesari as Members of the Committee. The purpose of the risk management committee is to assist the Board in fulfilling its responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks. The risk management committee has the overall responsibility of monitoring and approving the risk policies and associated practices of the Company.

The detailed terms of reference of the Risk Management Committee are as below:

- To assess the risks facing the business and the mitigation measures taken thereof
- To identify developments in the environment or in internal operating processes that could materially affect the profile of risks

- To assist the Board in identifying existential risks and reviewing the mitigation and elimination plans for those
- To assess and examine status of cyber security of the company
- To report annually to the Board on its working
- Recommend to the Board policy for hedging commodity risk

During the financial year ended March 31, 2020, the Risk Management Committee met once on November 12, 2019 for reviewing the company level risks and mitigation plans and actions. All the members were present at the meeting except Rajani Kesari.

F. Strategic Business Development Committee

The primary objective of the Strategic Business Development Committee of the Board is to review and guide the strategic initiatives of the company.

The committee comprises five members, Dr. Valentin A. H. von Massow (Chairman), Meher Pudumjee, Pheroz Pudumjee, M. S. Unnikrishnan and Dr. Jairam Varadaraj.

The committee met twice during the financial year 2019-20 on August 7, 2019 and November 12, 2019 where all members were present.

The broad terms of reference of the committee are:

- Review and recommend corporate strategy, including corporate brand and M&A
- Review and direct Strategic Business Unit, subsidiary and JV level strategies as well as selective SBU plans and business initiatives
- Initiate and impart guidance on best practices across the Board e.g. manufacturing, new markets, branding, etc.
- Review the key strategic performance indicators and milestones established by the company

G. International Investment Committee

The International Investment Committee comprises three members, Pheroz Pudumjee (Chairman), Dr. Valentin A. H. von Massow and M.S. Unnikrishnan.

The committee met twice during the financial year 2019-20 on August 7, 2019, and February 3, 2020, where all members were present.

The broad terms of reference of the committee are:

- Monitor and review the performance with respect to the purpose and intent of business objectives
- Review human resources development and requirements

- Review of business operations and strategy implementation of new ventures / businesses
- Approval of appointment of Board members
- Formulate strategies with respect to overseas initiatives (including setting up of a company/office and acquisition/takeover/amalgamation)
- Review annual performance of international operations
- Review the strategic business plan annually

4. Annual General Meeting

A. The details of last three Annual General Meetings (AGMs) of the company are as follows:

Financial Year	Date	Venue	Time
2016-2017 (36 th AGM)	August 8, 2017	Yashwantrao Chavan Academy of Development Administration, MDC (Auditorium) Building, Raj Bhavan Complex, Baner Road, Pune - 411007	4.00 p.m.
2017-2018 (37 th AGM)	August 8, 2018		4.00 p.m.
2018-2019 (38 th AGM)	August 8, 2019		4.00 p.m.

B. Postal Ballot

No special resolution was passed by the company during the year through postal ballot. No special resolution is proposed to be conducted through postal ballot as on the date of this report.

C. Special Resolution(s) Passed

The details of special resolution/s passed during last 3 Annual General Meetings are as under:

Date of Annual General Meeting	Details of Special Resolution
August 8, 2019	a. Re-appointment of Dr. Jairam Varadaraj as an independent director b. Re-appointment of Nawshir Mirza as an independent director c. Re-appointment of Dr. Valentin A.H. von Massow as an independent director

5. Means of Communication

- a) The company publishes the quarterly and yearly financial results in prominent English and regional language newspapers. The same are also displayed on its website.

- b) The company's corporate website www.thermaxglobal.com provides comprehensive information regarding the company's business portfolio, including CSR activities. The quarterly and yearly financial results are available in downloadable format for investors' convenience on the company's website. The Annual Report of the company is also available on the website in a user-friendly and downloadable form.
- c) Transcripts of teleconferences with analysts are available on the website of the company
- d) The official news releases of the company are displayed on its website

6. Shareholder Information

A. 39th Annual General Meeting for the FY2019-20

Date and time	Wednesday, August 12, 2020 at 4.00 pm
Venue	Through Video Conferencing / Other Audio Visual means.

B. Financial Calendar

The financial results for FY2019-20 were announced on

Financial Results	As Indicated	Actual Date
Quarter ended June 2019	August 8, 2019	August 8, 2019
Quarter ended September 2019	November 13, 2019	November 13, 2019
Quarter ended December 2019	February 12, 2020	February 4, 2020
Year ended March 2020	May 22, 2020	June 18, 2020

For the FY2020-21, the indicative announcement dates are:

Results for the quarter ended June 2020	August 12, 2020
Results for the quarter ended September 2020	November 4, 2020
Results for the quarter ended December 2020	February 3, 2021
Results for the year ended March 2021	May 12, 2021

Listing on stock exchanges	Stock Code
National Stock Exchange of India Ltd. (NSE)	THERMAX EQ
BSE Ltd. (BSE)	500411
International Security Identification No. for Equity shares (ISIN) in NSDL and CDSL	INE 152A01029
Corporate Identity No. (CIN)	L29299PN1980PLC022787

The company has paid listing fees to BSE and NSE and custodial fees to Central Depositories Services (India) Limited and National Securities Depository Limited for financial year 2020-21 on the basis number of beneficial accounts maintained by them, as on March 31, 2020.

C. Stock Data

(Amount in Rupees per share)

Month	MKT QUOTE-NSE		MKT QUOTE-BSE	
	High	Low	High	Low
April 2019	991.00	927.40	990.00	928.70
May 2019	1,075.00	942.20	1,071.00	931.45
June 2019	1,149.00	1,000.00	1,150.00	995.45
July 2019	1,144.95	1,003.45	1,144.00	997.00
August 2019	1,129.00	991.10	1,139.90	990.85
September 2019	1,181.25	985.00	1,180.00	985.00
October 2019	1,171.00	1,080.00	1,170.05	1,085.80
November 2019	1,171.10	979.55	1,169.30	980.00
December 2019	1,096.00	975.20	1,094.00	975.25
January 2020	1,119.90	1,028.05	1,119.00	1,027.10
February 2020	1,084.45	909.95	1,082.80	909.00
March 2020	952.70	570.00	977.00	644.00

D. Registrar and Share Transfer Agent

KFin Technologies Private Limited
(erstwhile Karvy Fintech Private Limited)
Karvy Selenium Tower B, Plot No. 31 & 32
Gachibowli, Financial District,
Nanakramguda, Serilingampally
Hyderabad - 500 032
Telephone: +91 040 67161510 / 512
Fax: 040 - 23420814
E-mail ID for redressal of grievances of shareholders/
investors: einward.ris@kfintech.com
Website: www.kfintech.com

E. Share Transfer System

The company's shares are traded on the stock exchanges only in electronic mode. Shares received for transfer by the company or its Registrar and Transfer Agent in physical mode are processed and all

valid transfers are approved. The share certificate(s) is/are duly transferred and despatched within a period of 15 days from the date of receipt.

F. Distribution of Shareholding and Shareholding Pattern

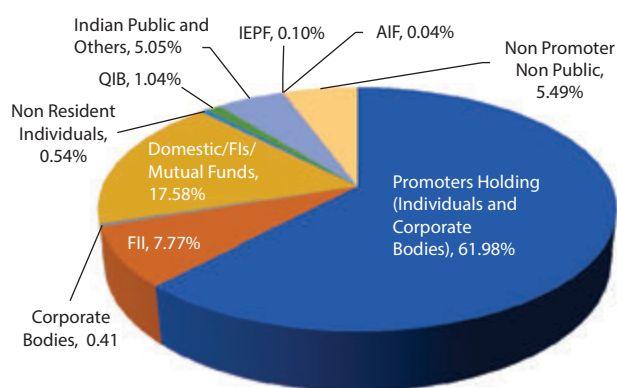
Distribution of Shareholding as on March 31, 2020

Sr. No.	Category (Shares)	No. of Holders	% to Holders	No. of Shares	% to Equity
1	1-5000	33,838	98.64	43,06,677	3.61
2	5001- 10000	138	0.40	5,03,546	0.42
3	10001- 20000	93	0.27	6,52,762	0.55
4	20001- 30000	42	0.12	5,15,110	0.43
5	30001- 40000	20	0.06	3,56,316	0.30
6	40001- 50000	11	0.03	2,39,208	0.20
7	50001- 100000	41	0.12	15,75,995	1.32
8	100001 & Above	123	0.36	11,10,06,686	93.17
	TOTAL	34,306	100	11,91,56,300	100

Category of Equity Shareholders as on March 31, 2020

Category	No. of Shares Held	% of Shareholding
(A) Promoters holding		
1. Individuals	6,000	-
2. Corporate Bodies	7,38,49,305	61.98
(A) Total Shareholding of Promoters	7,38,55,305	61.98
(B) Non-promoters Holding		
1 Mutual Funds, Banks, Financial Institutions, Insurance Companies, etc.	2,09,45,852	17.58
2 Foreign Institutional Investors	92,63,856	7.77
3 Corporate Bodies	4,83,025	0.41
4 Non-Resident Individuals	6,40,685	0.54
5 Indian Public & Others	60,13,727	5.05
6 IEPF	1,18,902	0.10
7 Qualified Institutional Buyer (QIB)	12,49,567	1.04
8 Alternative Investment Fund (AIF)	43,941	0.04
(B) Total Public Shareholding	3,87,59,555	32.53
(C) Non-promoter Non-public	65,41,440	5.49
Total (A)+(B)+(C)	11,91,56,300	100.00

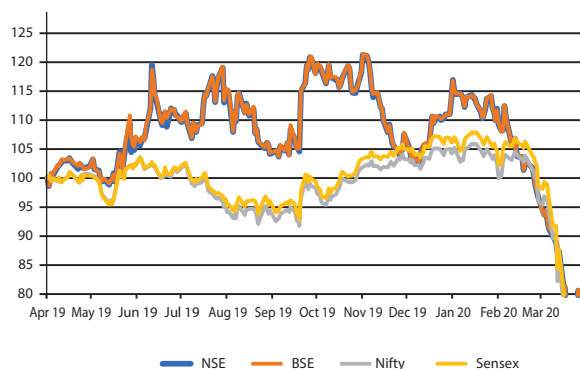
Shareholding Pattern as on March 31, 2020



G. Details of Dematerialisations

The company's equity shares are under compulsory demat trading for all categories of investors. A total of 11,89,13,015 shares have been dematerialised as on March 31, 2020, representing 99.80% of the total equity capital.

Stock Performance



Note: The company's share price and indices have been indexed to 100 as on the first working day of the financial year 2019-20 i.e. April 1, 2019.

H. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity

The company has not issued GDRs/ADRs/Warrants or any Convertible Instruments.

I. Foreign Exchange Risk and Hedging Activities:

To mitigate the risk, the company has a well-defined policy of hedging which is founded on the principle of prudence.

J. Plant Location

Domestic

Pune

- D-13, MIDC Industrial Area, R. D. Aga Road, Chinchwad, Pune - 411 019, Maharashtra.
- 98-99, Bhosari MIDC Industrial Area, Bhosari, Pune - 411 026, Maharashtra.
- D-1 Block, MIDC Industrial Area, Chinchwad, Pune - 411 019, Maharashtra.

Solapur

Plot No. T-1 MIDC, Chincholi, Taluka Mohol, Dist. Solapur - 413 255 Maharashtra.

Paudh

At Paudh, Post Mazgaon, Taluka Khalapur, Dist. Raigad - 410 206, Maharashtra.

Savli

Plot No. 21/1-2-3, GIDC Manjusar, Taluka - Savli, Dist. Vadodara - 391 775, Gujarat.

Mundra SEZ

Survey No. 169, Village Dhruh, Taluka Mundra, Mundra - 370 421, District Kutch, Gujarat.

Jhagadia

Plot No. 903/1, GIDC, Jhagadia Industrial Estate, Jhagadia, Dist. Bharuch - 393 110, Gujarat.

Dahej

Plot No. Z/96/C, Dahej SEZ, Phase-II, Taluka Vagra Dist. Bharuch - 392 130, Gujarat.

Sri City

2700, Peepul Boulevard Sricity DTZ Andhra Pradesh - 517 646.

International

Danstoker A/S

Industrivej Nord 13 DK-7400 Herning

PT Thermax Inetrnational Indonesia

Jl. Eropal Kav P2, KIEC, Cilegon-Banten

Danstoker Poland SP.ZO.O.

ul. Kolejowa, nr 20, lok., miejsc. Ostrowiec Swietokrzyski, kod 27-400, Poczta Ostrowiec Swietokrzyski, Kraj Polska

Rifox-Hans Richter GmbH Spezialarmaturen,

Bertha-von-suttner-str. 9, 28207 Bremen, Germany

K. Address for Correspondence

Investors should address their correspondence to the company's Registrar and Transfer Agent, KFin Technologies Private Limited (erstwhile Karvy Fintech Private Limited), whose address has been provided at (D) above.

Shareholders, holding shares in dematerialised form, should address their queries such as a change in bank account details, address, nomination etc., to their respective Depository Participants (DPs).

Queries relating to the Annual Report may be addressed to:

The Company Secretary,
Thermax Limited,
Thermax House, 14, Mumbai-Pune Road,
Wakdevadi, Pune - 411 003.
Email: cservice@thermaxglobal.com

7. Other Disclosures

a) Related Party Transactions

Related party transactions during the year have been disclosed as a part of financial statements as required under Ind AS 24 issued by The Institute of Chartered Accountants of India. The Audit Committee reviews these transactions. The Related Party Transactions policy as updated in pursuance of SEBI (LODR) (Amendment) Act, 2018 has been uploaded on the website of the company i.e. www.thermaxglobal.com.

b) D&O Insurance for Directors

In line with the requirements of Regulation 24(10) of the SEBI Listing Regulations, the company has taken Directors and Officers Insurance (D&O) for all its directors and members of the senior management for such quantum and for such risks as determined by the Board.

c) Details of any Non-Compliance w.r.t. Capital Markets during the year

During the previous three years there were no instances of non-compliance by the company or penalties, strictures imposed on the company by stock exchanges or SEBI or any other statutory authority on any matter related to capital markets.

d) Whistle Blower Policy / Vigil Mechanism

The Board has adopted a Whistle Blower Policy to promote reporting of any unethical or improper practice or violation of the company's Code of Conduct or complaints regarding accounting, auditing, internal controls or disclosure practices of the company. It gives a platform to the whistleblower to report any unethical or improper practice (not necessarily violation of law) and to define processes for receiving and investigating complaints. The company has assigned e-mail IDs - tlgovernance@gmail.com or nhm@nawshirmirza.com for reporting or sending a written complaint to the chairperson/chairman or the managing director. The Whistle Blower Policy is available on the website of the company. The confidentiality of such reporting is maintained, and the whistleblower is protected from any discriminatory action.

e) Board Diversity Policy

The policy sets out the approach to diversity on the Board of the company. The policy was adopted at the Board meeting held on June 18, 2020. The policy is available on the website of the company, www.thermaxglobal.com.

f) Insider Trading Policy

The policy provides the framework to deal with securities of the company. The Insider Trading Policy was amended in line with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2019. The policy is available on the website of the company, www.thermaxglobal.com.

g) Policy for determining material subsidiaries is disclosed on the website of the company, www.thermaxglobal.com.

h) The company has complied with the Corporate Governance requirements as per the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

i) The company has not raised funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A).

j) There was no recommendation that has been proposed by the committees, which has not been approved by the Board.

k) Details of remuneration paid to the statutory auditors:

The details of total fees for all services paid by the company and its subsidiaries on a consolidated basis to the statutory auditors are as follows:

Payment to Statutory Auditors and its Network Firms	March 31, 2020
As Auditor	
Audit and Limited Review Fee	3,26,24,743
In Other Capacity	
Other Services	55,15,755
Reimbursement of Expenses	8,86,730
Total	3,90,27,227

l) Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	NA
Number of complaints pending as on end of the financial year	Nil

8. Non-Mandatory Requirements

The company has adopted the following discretionary practices as specified under Regulation 27(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

A. The Board

The chairperson's office is maintained at the company's expense, which is equipped with all required facilities. The chairperson is also allowed reimbursement of expenses incurred towards the performance of her duties.

B. Separate Post of Chairman and CEO

The company has separate positions of non-executive chairperson and managing director & CEO.

C. Reporting of Internal Auditor

The Chief Internal Auditor of the company reports directly to the Audit Committee.