

## Annexure-2 to the Directors' Report

# Business Responsibility Report

## Section A: General Information About The Company

1	Corporate Identity Number (CIN) of the Company	L29299PN1980PLC022787
2	Name of the Company	Thermax Limited
3	Registered Address	D-13, MIDC, Industrial Area, R D Aga Road, Chinchwad, Pune – 411 019
4	Website	www.thermaxglobal.com
5	E-mail id	cservice@thermaxglobal.com
6	Financial year reported	FY 2021-22
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	25131: boilers and heaters, absorption chillers/heat pumps, power plants, solar equipment, and related services 37003 : air pollution control equipment/systems, water and wastewater treatment plants, recycling plants, and related services 20119: ion exchange resins, performance chemicals, construction chemicals, oil field chemicals and related services
8	List three key products/services that the Company manufactures/provides (as in the balance sheet)	1. Energy Segment – 70.8% (boilers and heaters, absorption chillers/heat pumps, process cooling equipment, project and energy solutions, renewable energy solutions, and specialised services) 2. Environment Segment – 20.6% (air pollution control equipment/systems, water & waste solutions, and related services) 3. Chemical – 8.6% (ion exchange resins, performance chemicals, water and fuel treatment chemicals, construction chemicals, oil field chemicals)
9	Total number of locations where the Company undertakes business activity	International - 4 manufacturing locations National - 10 manufacturing locations
	Number of international locations (provide details of major 5)	The Company has manufacturing facilities in Germany, Denmark, Poland and Indonesia
	Number of national locations	Pune (2), Shirwal, Solapur, Savli, Paudh, Jhagadia, Mundra SEZ, Dahej and Sri City
10	Markets served by the Company – local/state/national/international	National and International

## Section B: Financial Details of the Company

1	Paid-up capital	Rs. 22.52 crore
2	Total revenue	Rs. 6,128 crore
3	Total profit after taxes	Rs. 312 crore
4	Total spending on Corporate Social Responsibility (CSR) as a percentage of profit before tax pursuant to Section 198	2% (Rs. 7.54 crore)
5	List of activities in which expenditure in the above 4 have been incurred	<p>Thermax created a formal structure named 'Thermax Foundation' to conceive and implement its CSR programme. The Company has been focussing predominantly in the area of education for economically underprivileged children. Apart from education, Thermax addresses social discrimination through affirmative action, skill development and employability initiatives. The primary areas in which the expenditure has been incurred include:</p> <ol style="list-style-type: none"> <li>1. The School Project</li> <li>2. Akanksha Alumni Project</li> <li>3. iTeach Project to Support Teach for India Alumni</li> <li>4. CSR at Thermax Factory Locations and Social Compact (SoCo) initiative</li> </ol>

## Section C: Other Details

1	Does the Company have any subsidiary company/companies?	Yes, Thermax has 32 subsidiaries and associate companies in India and abroad as on March 31, 2022
2	Do the subsidiary company/companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Yes, 8 domestic subsidiaries and 4 international subsidiaries
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, more than 60%]	No

## Section D: BR Information

1	Details of director/directors responsible for BR	
(a)	Details of the director/directors responsible for the implementation of the BR policy/policies	
1	DIN Number	05291138
2	Name	Ashish Bhandari
3	Designation	Managing Director & CEO
(b)	Details of the BR head	
No.	Particulars	Details
1	DIN Number (if applicable )	NA
2	Name	Jasmeet Bhatia
3	Designation	Chief Human Resources Officer
4	Telephone number	020 - 66051200
5	E-mail id	Jasmeet.Bhatia@thermaxglobal.com

### 1 Principle-wise (as per NVGs) BR Policy/Policies

A	Details of compliance (Reply in Y/N)									
No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for...	Yes								
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes								
3	Does the policy conform to any national/international standards? If yes, specify (50 words)	Policies are prepared ensuring adherence to applicable laws and in line with international standards such as ISO, ILO (International Labour Organisation), and OHSAS								
4	Has the policy been approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Yes	The policies have been signed by appropriate authorities							
5	Does the Company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Copies will be made available on <a href="http://www.thermaxglobal.com">www.thermaxglobal.com</a>								
6	Indicate the link for the policy to be viewed online?	Yes								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8	Does the Company have an in-house structure to implement the policy/ policies?	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes, all our policies and procedures are continuously evaluated by internal auditors								

### 2 Governance Related to BR

A	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. [Within 3 months, 3-6 months, annually, more than 1 year]	Annually by the Board Quarterly by the CEO
B	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes The BRR is a part of the Annual Report and is available on the Thermax website: <a href="http://www.thermaxglobal.com">www.thermaxglobal.com</a>

## Section E: Principle-wise Performance

### Principle 1 – Ethics, Transparency and Accountability

#### Company's Philosophy on Corporate Governance

Refer to the Business Model on page no. 18 and Corporate Governance Report on page no. 87.

#### Whistle Blower Policy / Vigil Mechanism

Refer to the Human Capital inputs and outputs in the Business Model section on page no. 18.

#### Shareholder Complaints Redressal Mechanism

The Company has not received any complaints from shareholders as on March 31, 2021.

### Principle 2 – Product Life Cycle Sustainability

#### Sustainable Product Innovation

Refer to the Intellectual Capital section on page no. 36 and Manufactured Capital section on page no. 34.

#### Resource Used – Energy Consumption

Refer to the Natural Capital section on page no. 50.

#### Sustainable Sourcing

Refer to the Social and Relationship Capital section on page no. 44.

#### Recyclable Products and Waste

All the manufacturing facilities of Thermax have an Environment Management System (EMS) in place and are ISO 14001:2015 certified. Waste management practices are in line with EMS where the waste is segregated into hazardous and non-hazardous categories. Hazardous waste is disposed as per legal requirements. E-waste is recycled through a Central Pollution Control Board (CPCB) registered recycler. Other types of wastes, wherever possible, are recycled or reused.

### Principle 3 – Employee Well-being

#### Diversity in Employment

Refer to the Human Capital section on page no. 40 and inputs and outputs in the Business Model section on page no. 18.

#### Employee Association recognised by Management

Thermax has a union of its permanent workmen at Chinchwad, Paudh and Savli locations, and all of them are members of the union at their respective locations.

### Safety Training

Refer to Human Capital section on page no. 40.

### Principle 4 – Stakeholder Engagement

Refer to the Engaging with Stakeholders section on page no. 24 and Addressing Material Issues section on page no. 26.

### Principle 5 – Human Rights

Refer to the Human Capital inputs and outputs in the Business Model section on page no. 18.

### Principle 6 – Environment

Refer to the Natural Capital section on page no. 50. There was no pending show cause notice from SPCB/CPCB as on March 31, 2022.

### Principle 7 – Policy Advocacy

Thermax is a member of various chambers of trade and associations, where the senior management of the Company represents Thermax and engages in discussions across various topics. Some of these associations include:

- Indo German Chamber of Commerce
- CII's National Committee for Capital Goods & Engineering
- Mahratta Chamber of Commerce, Industries and Agriculture
- Bombay Management Association
- Boilers and Pressure Vessels Sectional Committee, MED01, BIS

### Principle 8 – Equitable Development

Refer to the Social and Relationship Capital section on page no. 44.

### Principle 9 – Customer Value

Refer to the Communication and Engagement with Stakeholders section on page no. 24.

Refer to the Social and Relationship Capital inputs and outputs in the Business Model section on page no. 19 for:

- % complaints resolved
- No. of complaints relating to unfair trade practices, irresponsible advertising or anti-competitive behaviour against the Company