



THERMAX LIMITED ANNUAL REPORT OF SUBSIDIARY COMPANIES 2014-2015

<u>S U B S I D I A R I E S</u>

DOMESTIC

•	Thermax Engineering Construction Company Limited	
•	Thermax Instrumentation Limited	
•	Thermax Onsite Energy Solutions Limited	40-56
•	Thermax Sustainable Energy Solutions Limited	57-70
•	Thermax Spx Energy Technologies Ltd.	
٠	Thermax Babcock & Wilcox Energy Solutions Private Limited	

OVERSEAS

•	Thermax Europe Limited (U.K.)	113-117
•	Thermax International Limited (Mauritius)	118-123
٠	Thermax Inc. (U.S.A.)	124-127
٠	Thermax do Brasil – Energia e Equipamentos Ltda. (Brazil)	128- 130
٠	Thermax (zhejiang) Cooling & Heating Engineering Co. Ltd. (China)	131-137
•	Thermax Netherlands B.V. (Netherlands)	138-141
٠	Thermax Denmark ApS (Denmark)	142-153
٠	Danstoker A/S (Denmark)	154-161
٠	Ejendomsanpartsselskabet Industrivej Nord 13 (Denmark)	162-168
٠	Rifox-Hans Richter GmbH Herstellung von Spezialarmaturen, Bremen (Germany)	169-172
•	Thermax SDN. BHD. (Malaysia)	173-177
٠	Boilerworks A/S (Denmark)	178-183
•	Boilerworks Properties ApS (Denmark)	
•	Thermax Engineering Singapore PTE Ltd	189-193
٠	PT Thermax International Indonesia	

Board of Directors

Ravinder Advani Pravin Karve Amitabha Mukhopadhyay R. V. Ramani Ajay Joshi- Independent Director Ashok K. Joshi- Independent Director

Chief Executive Officer

Upsen Umale (Appointed on July 1, 2014)

Registered Office

Thermax House, 14, Mumbai - Pune Road, Wakdewadi, Pune - 411003

Head Office

Energy House, D-II Block, Plot No. 38 & 39, MIDC Area, Chinchwad, Pune 411019

Auditors

B. K. Khare & Co Chartered Accountants Hotel Swaroop, 4th Floor, Lane No. 10, Prabhat Road, Pune 411004

Bankers

Union Bank of India HDFC Bank Limited State Bank of India

Directors' Report

Dear Shareholder,

Your Directors have pleasure in presenting the Twenty-fourth Annual Report of your company for the year ended March 31, 2015.

FINANCIAL RESULTS		(Rs. in lacs)
Particulars	2014-15	2013-2014
Total Income	20700.55	15552.18
Profit before depreciation	875.29	166.94
Depreciation	90.22	78.42
Profit before tax	785.07	88.52
Provision for taxation including deferred tax	206.79	76.05
Profit after tax	578.28	12.47

PERFORMANCE

For the year under review, your company's total income is Rs. 20700.55 lacs compared to Rs. 15552.18 lacs in the previous year. This is the highest total income achieved by your company in its history. The company has been able to achieve this milestone due to advanced stage of the single largest value order received from a petrochemical major. The company's profit before tax is Rs 785.07 lacs (previous year, Rs. 88.52 lacs) and profit after tax of Rs. 578.28 lacs (previous year Rs. 12.47 lacs). The profitability has improved due to management's focus on timely execution and cost control for various jobs under progress in the current year.

Your company has erected about 62250 tons (previous year 36250 tons) of boiler equipment during the year.

The company's year-end order balance is Rs. 35673 lacs, which is lower than the previous year order balance of Rs 41024 lacs due to continued sluggishness in the capital goods market during the year.

The company's management is focusing on increasing efficiency at sites as well as controlling costs to maintain and increase margins.

HEALTH & SAFETY

Health & Safety at project sites is of paramount importance for the company. The company strives for continuous improvement and its objective is to establish world class safety practices at sites. Safety culture is inculcated as part of day to day operations by site managers.

One month campaign of height safety awareness was conducted at various sites.

OHSAS 18001:2007 continues to be implemented at sites in addition to being implemented at the Head Office.

As a result of the special focus on Health & Safety, your company has received appreciation letters from customers for safety implementation and safe man-hours at sites

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

In view of the requirements under the Companies Act, 2013, the company has formed a Corporate Social Responsibility (CSR) Committee and approved a CSR Policy. As per the said policy, the company would continue in CSR initiatives through Thermax Social Initiative Foundation (TSIF).

As part of its initiatives under CSR, the Company has donated Rs. 12.00 lacs to TSIF.

A Report on CSR activities is annexed as "Annexure 1".

DIVIDEND

The Directors do not recommend any dividend for the year, to conserve and augment the resources of the company.

PUBLIC DEPOSITS

The company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpiad / unclaimed deposit(s) as on March 31, 2015.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 are set out in note no. 10 of notes to the financial statements.

BUSINESS RISK MANAGEMENT

In order to reduce impact of business risks on the company, the management has identified key risks affecting the business adversely. The key risks identified are as under:

- Delay in execution due to default of contractors.
- Delay in execution due to unforeseen site conditions including natural calamities.
- Delay in recovery of retention amounts from customers.
- Cost overrun due to delays as well as unforeseen site related factors such as access, approach roads, soil condition etc.

The management has put in place several mitigation measures such as

- Vendor evaluation and analysis prior to awarding the contract.
- Site visit prior to making a quotation.
- Frequent review of retentions and action plan for the same.
- Installation an integrated computer system to track and monitor statutory compliances

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Internal Audit department of the holding company, Thermax Limited releases the schedule of audit for checking the adequacy of identified Internal Financial Controls and processes which is carried out by the external auditors and the report is submitted to the audit committee for review and suggestions, if any, for improvement.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The company has not piad any remuralation to it's directors during the year and there are no Key Managerial Personnel in the company.

DIRECTORS

Ajay Joshi & Ashok K. Joshi have been inducted on the Board of your company as

Independent Directors on March 31, 2015 for a period of three years commencing form March 31, 2015 to April 1, 2018.

In accordance with the provisions of the Companies Act, 2013 and the company's Articles of Association, R V. Ramani retires by rotation and being eligible offers, himself for re-appointment as Director.

DECLARATION BY INDEPENDENT DIRECTORS

The company has received declarations from the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

BOARD MEETINGS

During the year Board met five times on April 25, 2014, July 14, 2014, October 17, 2014, January 16, 2015, and March 31, 2015. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES OF THE BOARD

The Board has constituted following committees viz. Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

AUDIT COMMITTEE

The Committee met four times during the year on April 25, 2014, July 14, 2014, October 17, 2014 and January 16, 2015. Consequently upon the induction of the Independent Directors of the company, the Board has reconstituted the Audit Committee on March 31, 2015. The Committee now comprises 3 (Three) members, all being non-executive Directors. Ajay Joshi (Chairman), Ashok k. Joshi and Amitabha Mukhopadhyay. The terms of reference of the Audit Committee are as follows:

- Review recommendations for appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 3. Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the company with related parties;
- 5. Scrutiny of inter-corporate loans and investments;
- 6. Valuation of undertakings or assets of the company, wherever it is necessary;
- 7. Evaluation of internal financial controls and risk management systems;
- 8. Decide scope of internal audit;
- 9. Investigate into / act on any matter as may be referred to it by the Board.

NOMINATION AND REMUNERATION COMMITTEE

In compliance with Section 178 of the Companies Act, 2013, the Board has constituted "Nomination and Remuneration Committee" on March 31, 2015. The

Committee comprises three members, all being non-executive Directors. Pravin Karve (Chairman), Ajay Joshi and Ashok k. Joshi. The terms of reference of the Nomination and Remuneration Committee are as follows:

- Formulation of policies and process on appointment of Directors of the Company, Key Managerial Personnel (KMP), Senior Management officials and employees and recommend to the Board their appointment and removal.
- 2. Formulation of performance evaluation process of Senior Management, KMP and Directors.
- Formulation of Policy on determination of qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Review and approve annual compensation of the organization, including benchmarking with other companies.
- 5. Devise a policy relating to Human Resources including diversity.
- 6. Review the identified talent and their retention strategies.
- 7. Succession planning of Senior Management and employees.
- 8. Any other matter that may be referred by the Board from time to time.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with Section 135 of the Companies Act, 2013, the Board on January 16, 2015 has constituted "Corporate Social Responsibility (CSR) Committee". The Committee met once during the year on February 13, 2015. Consequent upon the induction of Independent Directors the Committee was re-constituted. The Committee comprises three members, Ashok k. Joshi (Chairman), Pravin Karve, and Amitabha Mukhopadhyay. The terms of reference of the Committee area sfollows:

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- c) To monitor the CSR Policy of the company from time to time.
- d) Any other matter that may be referred 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.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors or other designated persons which may have a potential conflict with the interest of the company at large.

Particulars of contracts & arrangements with Related Parties are appended in Form AOC 2 as "Annexure 2".

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT - 9, as required under Section 92, of the Companies Act, 2013, is annexed herewith as "Annexure 3" and forms part of this report.

CONSERVATION OF ENERGY

The company's Head Office is in Energy House in Chinchwad, owned by the holding company. which undertakes various measures to conserve energy. At sites, the company uses energy saving bulbs for lighting of stores & site offices and the construction power through grid is sought from the customer, wherever practically possible instead of deploying costly and polluting DG sets for power generation.

TECHNOLOGICAL ABSORPTION

There was no technology acquisition and absorption during the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pertaining to foreign exchange earnings and outgo, under Section 134 (3) (m) of the Companies Act, 2013 is set out in note no. 7 of Note no.15 to the Financial Statements.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the company and its future operations.

AUDITORS

M/s. B. K. Khare & Co., Chartered Accountants, retire as statutory auditors at the ensuing Annual General Meeting and are eligible for reappointment.

As required under the provisions of Section 139 (1) of the Companies Act, 2013, the company has obtained a written consent from them to the effect that their reappointment, if made, would be in conformity with the limits specified in the said section.

The Board has recommended appointment of M/s. SRBC & Co. LLP, Chartered Accountants, at the ensuing Annual General Meeting (AGM) as Joint Auditors of the Company for a term of five years. Necessary resolution for such appointment is mentioned in the Notice of the AGM for approval of the Members.

ACKNOWLEDGEMENTS

The Board of Directors takes this opportunity to thank its customers, bankers, employees and all other stakeholders for their persistent support to your company. Your Directors look forward to their continued co-operation in the future as well.

For and on behalf of the Board of Directors of Thermax Engineering Construction Company Limited

Amitabha Mukhopadhyay Pravin Karve Director Director

Pune, May 5, 2015

Annexure 1

ANNUAL REPORT ON CSR ACTIVITIES AND CSR POLICY

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or program.

Your Board of Directors, after taking into account the recommendations of the CSR Committee, has approved the CSR Policy as required under section 135(4) of the Companies Act, 2013. Following is a brief outline of the said CSR Policy.

The Company has decided to adopt the CSR Policy of the holding company which predominantly keeps focus in the area of education of economically underprivileged children.

Apart from education, the holding company is also involved, in a small way, in addressing the issue of social discrimination, through affirmative action, skill development and employability Initiatives.

The holding company has created a formal structure to design and implement its CSR programme and the company has decided to support the initiative of the holding company.

2. The Composition of the CSR Committee.

In accordance with Section 135 of the Companies Act, 2013 and the Rules pertaining thereto, a Committee of the Board known as "Corporate Social Responsibility (CSR) Committee" comprising Pravin Karve, Ravinder Advani and Amitabha Mukhopadhyay was constituted. With the induction of the Independent Directors on the Board, the Committee was subsequently reconstituted as follows:

- 1. Ashok k. Joshi (Chairman)
- 2. Pravin Karve

5.

3. Amitabha Mukhopadhyay

3. Average net profit of the company for last three financial years

The average net profit of the Company for the last three financial years is Rs. 593 lacs.

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)

Prescribed CSR Expenditure is Rs. 11.85 lacs (2% of Rs. 593 lacs). Amount contributed to Thermax Social Initiative Foundation is Rs. 12.00 lacs.

- Details of CSR spent during the financial year.
- a) Total amount donated: Rs. 12 lacs
- b) Total amount to be spent for the financial year : Rs. 12 lacs
- 6 In case the Company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report:

The company has donated its CSR contribution to Thermax Social Initiative Foundation on March 30, 2015. The company would, monitor its CSR spent on specific projects from current year.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

The CSR Committee confirms that the implementation and monitoring of the CSR Policy, is in compliance with the CSR objectives and policy of the company.

 Sd/ Sd/

 Upsen Umale
 Ashok k. Joshi

 (CEO)
 (Chairman of the CSR Committee)

Annexure 2

Form No. AOC-2

[(Pursuant to clause (h) of sub-section (3) of section 134 of the companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

(Amount in Rs. Lac)

Nature of Contracts / arrangements/ transactions	Name of the related party and nature of relationship (Thermax Limited - Holding Company, Thermax Instrumentation Ltd fellow subsibidry company and Thermax Social Initiative Foundation - Enterprise over which control is exercsied by the holding company)	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or transactions including the value, if any
Sales, Service, Other income	Thermax Limited		8,552.43
	Thermax Instrumentation Ltd.		3.52
Reimbursement of expenses received/ cost of material / Stores	Thermax Limited		70.56
Rendering of services	Thermax Limited	Various	189.11
Expenses-deputation of employees	Thermax Limited		30.01
Donation given	Thermax Social Initiative Foundation		12.00
Guarantee / Bond / Collateral	Thermax Limited	1	9,000.00

For and on behalf of the Board of Directors of Thermax Engineering Construction Company Limited

Place: Pune Date: May 5, 2015 Amitabha Mukhopadhyay Director Pravin Karve Director

ANNEXURE 3

FORMNO.MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

I.	CIN	:	U29246MH1991PLC062959
II.	Registration Date	:	14.08.1991
III.	Name of the Company	:	Thermax Engineering Construction Company Limited
IV.	Category / Sub-Category of the Company	:	Public Company / Limited by Shares
V.	Address of the Registered office and contact details	:	Thermax House, 14, Mumbai – Pune Road, Wakdewadi, Pune- 411003
VI.	Whether listed company	:	No
VII.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Installation of industrial machinery and equipment	33200	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the company	CIN/GLN	Holding /Subsidiary/ Associates	% of Shares held	Applicable Section
1	Thermax Limited	L29299MH1980PLC022787	Holding	100	2(46)
	D-13, M.I.D.C. Industrial Area, R.D. Aga Road, Chinchwad, Pune - 411 019				

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders		No. of Sha	ares held at th (As on 01-		of the year	No. of Shares held at the end of the year (As on 31-03-2015)				% Change during the
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	year
A.	Promoters									
(1)	Indian	-	-	-	-	-	-	-	-	-
a)	Individual/ HUF	-	60	60	0	-	60	60	0	0
b)	Central Govnt(s)	-	-	-	-	-	-	-	-	-
c)	State Govnt (s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corp.	-	4499940	4499940	100	-	4499940	4499940	100	0
e)	Banks/FI	-	-	-	-	-	-	-	-	-
f)	Any Other (Relative of Director)	-	-	-	-	-	-	-	-	-
Sub	o-total(A)(1):-	-	4500000	4500000	100	-	4500000	4500000	100	0
(2)	Foreign	-	-	-	-	-	-	-	-	-
a)	NRIs Individuals	-	-	-	-	-	-	-	-	-
b)	Other - Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
d)	Banks/ FI	-	-	-	-	-	-	-	-	-
Sub	o-total (A) (2):-	-	-	-	-	-	-	-	-	-
	al share holding of Promoter (A)= (1)+(A) (2)	-	4500000	4500000	100	-	4500000	4500000	100	0

Ca	ategory of Shareholders	No. of Sha	ares held at the (As on 01-		of the year	No. of Shares held at the end of the year (As on 31-03-2015)				% Change during the
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	year
B.	Public Shareholding									
1.	Institution									
a)	Mutual Funds									
b)	Banks/FI									
c)	Central Govt									
d)	State Govt(s)									
e)	Venture Capital Funds									
f)	Insurance Companies									
g)	FIIs									
h)	Foreign Venture Capital Funds									
i)	Any other									
Su	ib-total(B)(1):-									
2.	Non- Institutions									
a)	Bodies Corp.									
	i) Indian									
	ii) Overseas									
b)	Individuals					NU				
	 i) Individual shareholders holding nominal share capital upto Rs. 1 lakh 					NIL				
	ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh									
c)	Others (specify)									
	- Directors Relative									
	- Trusts									
	- Foreign Bodies Corporate									
	- Foreign Bodies-DR									
	- Non Resident Indian									
	- HUF									
	- Clearing Members									
Su	ib-total(B)(2):-									
	tal Public Shareholding (B)=(B)(1)+)(2)									
C)	Shares held by Custodian for GDRs & ADRs									
Gr	rand Total (A+B+C)	-	4500000	4500000	100	-	4500000	4500000	100	0

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)Shareholding at the end of the year (As on 31-03-2015)			r			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year
1	Thermax Limited	4499940	100	NIL	4499940	100	NIL	NIL
2	Arnavaz Rohinton Aga jointly with Thermax Limited	10	0	NIL	10	0	NIL	NIL

SI No.	Shareholder's Name		g at the beginnin As on 01-04-2014		5	Shareholding at t (As on 31	•	
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year
3	Meher Pheroz Pudumjee jointly with Thermax Limited	10	0	NIL	10	0	NIL	NIL
4	Pheroz Nusly Pudumjee jointly with Thermax Limited	10	0	NIL	10	0	NIL	NIL
5	M. S. Unnikrishnan jointly with Thermax Limited	10	0	NIL	10	0	NIL	NIL
6	Ravinder Advani jointly with Thermax Limited	10	0	NIL	10	0	NIL	NIL
7	Abhay Shah jointly with Thermax Limited	10	0	NIL	10	0	NIL	NIL
	TOTAL	4500000	100	NIL	4500000	100	NIL	NIL

iii) Change in Promoters' Shareholding: NIL

SI No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)			he end of the year -03-2015)		
		No. of Shares % of total Shares of the company		No. of Shares	% of total Shares of the company		
	At the beginning of the year						
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NILNIL					
	At the End of the year						

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NIL

SI. No.	Name of the shareholder	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Share the year (01-04-2 2015	2014 to 31-03-
		No. of shares at the beginning (01-04- 2014) / end of the year (31-03-2015)	% of total shares of the company				No. of shares	% of total shares of the company
	NIL							

(V) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the shareholder	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Share the year (01-04-2 2015	2014 to 31-03-
		No. of shares at the beginning (01-04- 2014) / end of the year (31-03-2015)	% of total shares of the company				No. of shares	% of total shares of the company
1	Ravinder Advani	10	0				10	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding /accrued but not due for payment

				Amount in Rs. lacs
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2014)				
i) Principal Amount	475.67	0	0	475.67
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	475.67	0	0	475.67

				Amount in Rs. lacs
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in indebtedness during the financial year				
Addition	0	0	0	0
Reduction	435.13	0	0	435.13
Net Change	435.13	0	0	435.13
Indebtedness at the end of the financial year (31.03.2015)				
i) Principal Amount	40.54	0	0	40.54
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	40.54	0	0	40.54

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NA

SI. no.	Particulars of Remuneration	Total Amount
1.	Gross salary	
	(a) Salary as per provisions contained insection 17(1) of the Income-tax Act, 1961	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	
	(c) Profits in lieu of salary undersection17(3)Income- taxAct,1961	
2.	Stock Option	
3.	Sweat Equity	NIL
4.	Commission- as % of profit - others, specify	
5.	Others, please specify (Retrial Benefits)	
	Total(A)	
	Ceiling as per the Act	

B. Remuneration to other directors:

SI. no.	Particulars of Remuneration		Total Amount			
1.	Independent Directors	Ajay Joshi	Ashok k. Joshi	-	-	-
	Fee for attending board / committee meetings					
	Commission			NIL		
	Others, please specify					
	Total(1)					
2.	Other Non-Executive Directors Directors	Amitabha Mukhopadhyay	B. C Mahesh	R. V. Ramani	Ravinder Advani	
	Fee for attending board /					
	Committee meetings					
	Commission					
	Others, please specify					
	Rent for Premises			NII		
	Security Deposit for Lease Premises					
	Total(2)					
	Total(B)=(1+2)					
	Total Managerial (A+B) Remuneration					
	Over all Ceiling as per the Act					

SI.	Particulars of Remuneration	Key Managerial Personnel
no.		
1.	Gross salary	
	(a) Salary as per provisions contained in section17(1)of the Income-tax Act,1961	
	(b) Value of perquisites u/s 17(2)Income-taxAct,1961	
	(c) Profits in lieu of salary under section 17(3)Income-taxAct,1961	
2.	Stock Option	NII
3.	Sweat Equity	
4.	Commission	
	- as% of profit	
	- Others, specify	
5.	Others, please specify (Retrial Benefits)	
	Total	

C. Remuneration to key managerial personnel other than MD/Manager/Whole Time Director: NA

VII. Penalties /Punishment/ compounding of offences:

Туре	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any (give Details)
a) Company					
Penalty]				
Punishment]				
Compounding					
b) Directors					
Penalty			NII		
Punishment			NIL		
Compounding					
c) Other Officers in Default					
Penalty]				
Punishment]				
Compounding	1				

Independent Auditor's Report

To the Members of Thermax Engineering Constructions Company Limited

Report on the Financial Statements

 We have audited the accompanying financial statements of Thermax Engineering Construction Company Limited("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statementsof Profit and Loss and Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2 The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of thesefinancial 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act,read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.
- 4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
- 5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.
- 6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls. An audit also includes evaluating the appropriateness of such controls. An audit also includes evaluating the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
- We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, theaforesaid 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 of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 9. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 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 3 and 4 of the Order.
- 10. As required by Section 143(3) of the Act, we report that:
 - we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - 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;
 - In our opinion, the aforesaid financial statementscomply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. On the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014(as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 1.3to the financial statements
 - The Company does not have material foreseeable losses in any long-term contract and the Company has not entered in to any derivative contract.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Place, 5th May, 2015

Prasad V. Paranjape Membership No. 47296

Annexure to referred to in paragraph 9 of our report of even date:

- 1 (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
- 2 The Company is in the business of erection and commissioningof boilers and heaters and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the Companies (Auditor's Report) Order, 2015 are not applicable to the company.
- 3 There are no companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- In our opinion and according to the information and explanations given to us, the Company is having an adequate internal control system commensurate with the size and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. On the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across, nor have we been informed of, any continuing failure to correct any major weaknesses in the aforesaid internal control system.
- 5 The Company has not accepted any deposits within the meaning of Section 73 of the Act and rules framed there under.
- 6 The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- 7 (a) According to the records of the Company and information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, Sales tax, Wealth tax and service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues with the appropriate authorities.
 - (b) According to the information and explanations given to us and records of the Company examined by us, there are no dues of income tax, sales tax, wealth tax, service -tax, duty of excise, duty of customs, value added tax, and cess which have not been deposited on account of any dispute except as follows:

Name of	Nature of	Amount	Period	Forum where Dispute is
Statute	Dues	under		pending
		dispute not		
		deposited		
		(Rs. In		
		lakhs)		
Uttar Pradesh	State	7.24	2004-05	Joint Commissioner
Trade Tax	Sales			(Appeals) IV, Commercial
Act'1948	Tax			Tax, Ghaziabad
Uttar Pradesh	State	3.85	2005-06	Joint Commissioner
Trade Tax	Sales			(Appeals) IV, Commercial
Act'1948	Tax			Tax, Ghaziabad
Uttar Pradesh	State	135.00	2010-11	Assessing Officer, Circle
VAT Act'2008	VAT			8, Ghaziabad
Rajasthan	State	4.72	2002-03	Deputy Commissioner
VAT	VAT			(Appeals), Commercial
Act'2003				Taxes, Kota, Rajasthan
Andhra	State	4.70	2006-07 to	Sales Tax Appellate
Pradesh Value	VAT		2008-09	Tribunal Hyderabad
Added Tax				
Act, 2005				
Andhra	State	2.45	2006-07 to	Sales Tax Appellate
Pradesh Value			2008-09	Tribunal Hyderabad
Added Tax	- Penalty			
Act, 2005				

Name of	Nature of	Amount	Period	Forum where Dispute is
Statute	Dues	under dispute not		pending
		deposited		
		(Rs. In		
		lakhs)		
West Bengal	State	0.07	2009-10	Joint Commissioner
Value Added	VAT			(Appeals), Commercial
Tax, 2003				Taxes, West Bengal
Income Tax	Income	98.31	2009-10	Commissioner of Income
Act' 1961	Tax			Tax (Appeals)
Income Tax	Income	29.14	2010-11	Commissioner of Income
Act' 1961	Tax			Tax (Appeals)
Income Tax	Income	32.26	2011-12	Commissioner of Income
Act' 1961	Tax			Tax (Appeals)
Income Tax	Income	78.08	2005-06,080-	Commissioner of Income
Act' 1961	Tax		09,09-	Tax (Appeals)
(Penalty)			10,&10-11	
Income	Income	5.03	Various	ACIT (TDS)-Pune
Tax Act'	Tax			
1961 (TDS				
demand)				
Service Tax	Service	306.17	2004-05 to	Customs, Excise &
(Finance	Tax		2008-09	Service Tax Appellate
Act'1994)				Tribunal, Mumbai
Service Tax	Service	142.40	2008-09 to	Customs, Excise &
(Finance	Tax		2012-13	Service Tax Appellate
Act'1994)				Tribunal, Mumbai

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- 8 The Company does not have accumulated losses as at the end of the financial yearand it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
- 9 Based on the records examined by us and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the Balance Sheet date.
- 10 According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of clause 3(x) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- 11 In our opinion, and according to the information and explanations given to us, during the year, no term loans have been obtained by the Company.
- 12 During the course of our examination of the books of accounts carried out in accordance with generally accepted and auditing practices in India, we have neither come across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such case by the Management.

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

Prasad V. Paranjape Partner Membership No.: 047296

Place: Pune Date: 5th May, 2015

Balance Sheet as at 31 March 2015

Profit and loss statement for the year ended 31 March 2015

	iculars	Note No	Rs in Lakh As at 31 March 2015	Rs in Lakh As at 31 March 2014
I.	EQUITY AND LIABILITIES			
	1. Shareholders' funds			
	a. Share capital	1	450.00	450.00
	b. Reserves and surplus	2	3,341.26	2,762.98
	2. Non-current liabilities			
	a. Other Long-term liabilities	3	592.21	285.44
	3. Current liabilities			
	a. Trade payables	4	4,505.95	3,046.42
	b. Other current liabilities	5	5,530.71	3,154.93
	c. Short-term provisions	6	297.26	246.37
	TOTAL		14,717.39	9,946.14
Π	ASSETS 1. Non-current assets a. Fixed assets	7		
	i. Tangible assets		346.66	317.73
	ii. Intangible assets		1.47	-
	iii. Capital work-in-progress		-	0.02
	iv Intangible assets under development		-	-
	c. Other non-current assets	8	318.99	290.31
	d. Deferred tax Asset (Net)	9	329.64	199.43
	2. Current assets			
	a. Current investments	10	1,624.97	-
	b. Trade receivables	11	6,511.83	3,848.62
	c. Cash and cash equivalents	12	603.97	872.40
	d. Short-term loans and advances	13	2,632.39	1,430.82
	e. Other current assets	14	2,347.47	2,986.81
	TOTAL		14,717.39	9,946.14

			Rs in Lakh	Rs in Lakh
Parti	culars	Note No	Current Year ended 31st Mar'15	Previous Year ended 31st Mar'14
I	Revenues from operations	16	20,591.52	15,542.38
Π	Other income	17	109.03	9.80
III	Total Revenue (I+II)		20,700.55	15,552.18
IV	Expenses :			
	Employee benefits	18	2,010.45	1,796.39
	Finance costs	19	4.23	4.19
	Depreciation and amortisation		90.22	78.42
	Other expenses	20	17,810.58	13,584.66
	Total Expenses		19,915.48	15,463.66
V	Profit /(Loss) before exceptional and extraordinary items and tax (III-IV)		785.07	88.52
VI	Exceptional items		-	-
VII.	Profit / (Loss) before extraordinary items and tax (V - VI)		785.07	88.52
VIII	Extraordinary Items		-	-
IX	Profit / (Loss) before tax (VII- VIII)		785.07	88.52
Х	Tax expense:			
	1. Current tax		337.00	0.00
	2. Deferred tax		(130.21)	76.05
XI	Profit / (Loss) for the period from continuing operations (VII-VIII)		578.28	12.47
XII	Profit / (Loss) for the year		578.28	12.47
XIII	Earning per equity share (Refer Note no. 11 of Note 15)			
	1. Basic & Diluted		12.85	0.28
	2. Face Value			
Notes	to the financial statements	15		

The accompanying notes are an integral part of the financial statements.

For B. K. Khare & Co. Chartered Accountants		As per our report of even date For and on behalf of the Board For B. K. Khare & Co. Chartered Accountants Firm Registration No. 105102W		of the Board	
Prasad V. Paranjape Partner Membership No. 047296	Pravin Karve Director	Amitabha Mukhopadhyay Director	Prasad V. Paranjape Partner Membership No. 047296	Pravin Karve Director	Amitabha Mukhopadhyay Director
Pune, 5th May, 2015	Pune, 5th May, 20	15	Pune, 5th May, 2015	Pune, 5th May, 201	15

Notes to Financial Statements

Particulars	Rs in Lakh As at 31 March 2015	Rs in Lakh As at 31 March 2014
Note 1		
Share capital		
Equity Share Capital		
Authorised : 10,00,00,000 (Previous Year : 10,00,00,000)	1000.00	1000.00
Equity Shares of Rs 10/- each		
Issued, subscribed and paid-up		
45,00,000 (Previous Year : 45,00,000) Equity	450.00	450.00
Shares of Rs 10/- each		
	450.00	450.00

a) Reconciliation of the shares at the beginning and at the end of the reporting period.

	March 2015		March 2014	
	Nos	Rs lakh	Nos	Rs lakh
At the beginning of the period	45,00,000	450.00	45,00,000	450.00
Issued during the period	-	-	-	-
Outstanding at the end of the period	4,500,000	450.00	45,00,000	450.00

b) Term/rights attached to equity shares

The Company has only one class of equity shares having at par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by holding / ultimate holding company and/ or their subsidiaries/ associates. 100% of the equity shares are held by its holding company, Thermax Limited.

d) Details of Share holding more than 5% shares in the Company.

	31 March 2015	31 March 2014
Equity Shares of Rs. 10 each fully paid up		
Thermax Limited	100%	100%

Note 7 Fixed assets

1 IACU ASSUIS

Particulars Note 2	Rs in Lakh As at March 31,2015	Rs in Lakh As at March 31,2014
Reserves and Surplus		
General Reserve		
Per Last Balance Sheet	525.21	525.21
Transferred from Surplus		-
	525.21	525.21
Surplus		
Per Last Balance Sheet	2,237.77	2,225.30
Profit / (Loss) for the year	578.28	12.47
Transfer to General Reserve	-	-
	2,816.05	2,237.77
TOTAL	3,341.26	2,762.98
Note 3		
Other Long-term liabilities		
Trade payables- Retention	592.21	285.44
(Refer Note no 4 of Note 15)		
TOTAL	592.21	285.44
Note 4 Trade payables		
Trade payables (Refer Note no. 4 of Note 15)	3,093.69	1,382.53
Trade payables - Thermax Ltd	24.12	12.38
(Refer Note no. 10 of Note 15)		
Trade payables - Retention	1,388.14	1,651.51
(Refer Note no. 4 of Note 15)		
TOTAL	4,505.95	3,046.42
Note 5		
Other current liabilities		1.456.26
Contracts in Progress (Refer Note No. 7 of Note 15)	4,477.13	1,456.36
Customer Advances (Refer Note no. 7 of Note 15)	788.78	1,029.21
Short Term Secured Borrowing from UBI Bank as	40.54	475.67
Cash Credit		
(Secured by hypothecation of Book Debts for Rs 700.00 Lacs)		
Other Liabilities	224.26	193.69
TOTAL	5,530.71	3,154.93
Note 6		
Short-term provisions		
Short Term Employee Benefits	297.16	246.35
Others	0.10	0.02
TOTAL	297.26	246.37

Rs in Lakh

Particulars		GROSS	BLOCK			DEPRECIATION			NET BLOCK	
	As on	Additions /	Deductions /	As on	As on 1st	On	For the year	As on 31	As on	As on 31
	1st April 2014	Adjustments during the	Adjustments during the	31 Mar, 2015	April 2014	deductions during the		Mar, 2015	31 Mar, 2015	Mar 2014
	2014	year	year	2013		year			2013	
A.Tangible Assets										
Plant & Machinery	606.76	67.85	19.18	655.43	334.74	18.21	66.83	383.36	272.07	272.02
Office Equipments	91.27	29.88	4.75	116.40	76.56	4.69	10.04	81.91	34.49	14.71
Vehicles	104.54	22.49	2.63	124.40	73.54	2.56	13.32	84.30	40.10	31.00
Total Tangible Asset-A	802.57	120.22	26.56	896.23	484.84	25.46	90.19	549.57	346.66	317.73
B.Intangible Assets										
Software	0.38	1.50	-	1.88	0.38	-	0.03	0.41	1.47	-
Total Intangible Asset-B	0.38	1.50	-	1.88	0.38	-	0.03	0.41	1.47	-
TOTAL FIXED ASSETS -(A+B)	802.95	121.72	26.56	898.11	485.22	25.46	90.22	549.98	348.13	317.73
Previous Year	707.90	140.46	45.43	802.95	447.11	40.31	78.42	485.22		
Capital Work-in Progress									-	0.02
								Total	348.13	317.75

Notes to Financial Statements

		Rs in Lakh As at 31 March	t As at
Particulars Note 8		2015	5 2014
Other non-current assets			
(Unsecured and considered good			
Long Term Trade Receivables -Ret	tention	258.11	
Long Term Employee Benefits (Gratuity / Net Plan Asset)		59.19	46.31
(Refer Note No. 2 of Note 15)			
Long term Advance- Capital		1.68	1.68
TOTAL		318.99	290.31
Note 9			
Deferred Tax Asset			
Deferred Tax Liabilities			
Gratuity (net plan asset)		(19.48)	
Deferred Tax Assets		(19.48)	()
Depreciation Provision for doubtful debt		38.85	
Others		301.42 8.85	
Onors		349.12	
Deferred Tax Asset (Net) To	OTAL	329.64	199.43
Note 10			
Current Investments			
Non trade - Quoted but not listed			
Investments in Mutual Funds		1,624.97	
TOTAL		1,624.97	-
As at March 31, 2015			
Name of Investment	Units	Cost in Rs Lakh	in NAV Rs Lakh
UTI Floating Rate Fund - Dividend Reinvestment	48,706.34	496.53	496.53
SBI - Premier Liquid Fund - Dividend Reinvestment	23,464.81	235.41	235.41
SBI - Magnum Insta Cash Fund - Dividend Reinvestment	39,825.96	402.21	402.21
Kotak - Liquid Scheme Plan A - Dividend Reinvestment	40,138.84	490.82	490.82
TOTAL		1,624.97	1,624.97
As at March 31, 2014			
Name of Investment	Units	Cost in Rs Lakh	in NAV Rs Lakh
Name of Investment	Units		
TOTAL	-	Nil	Nil
IUIAL		=	
		Rs in Lakh	
		As at 31 March	
Particulars		2015	
Note 11			
Trade Receivables			
Unsecured trade receivable outsta exceeding six month	nding for a pe	riod	
Considered good		845.32	1,411.28
Considered doubtful		862.58	465.12
Less : Provision for Doubtful I	Debts	862.58	465.12
Other Trade Desci		2.7(2.11	1 070 40
Other Trade Receivable Other Trade Receivable - Therma:	v I td	3,762.11	
TOTAL	n Liu	<u>1,904.40</u> 6,511.83	
IOTAL			5,070.02

	Rs in Lakh As at 31 March	Rs in Lakh As at 31 March
Particulars	2015	2014
Note 12		
Cash and cash equivalents		
Balances with banks		
Fixed Deposits - deposited as security with Statutory Authorities	2.76	1.98
Balances in Current Accounts	600.15	428.22
Cheques, drafts on hand	0.07	441.00
Cash on hand	0.99	1.20
	603.97	872.40
Less : Deposit with more than 12 month in maturity disclosed under Other non-current assets	-	-
TOTAL	603.97	872.40
Note 13		
Short-term loans and advances		
Unsecured, considered good		
Advances recoverable in cash or in kind or for value to be received	2,540.08	1,339.59
Security Deposits	38.04	30.77
Advances to Staff and Workers		
Considered good	54.28	60.46
Considered doubtful	0.45	0.45
Less : Provision for doubtful advances	(0.45)	(0.45)
TOTAL	2,632.39	1,430.82
Note 14		
Other current assets		
Contracts in Progress (Ref Note 7 of Note 15)	897.95	1,919.20
Advance Payment of Income Tax	1,349.86	967.71
[Net of Provision Rs 1627.00 lakh (Previous Year : Rs 1290.00 lakh)]	-,,,,,,,,,,-	
Advance Payment of Fringe Benefit Tax	4.45	4.45
[Net of Provision Rs 88.80 lakh (Previous Year : Rs 88.80 lakh)]		
Other current assets	2.17	2.79
Dues from Sales Tax Authorities		
Considered good	93.04	92.66
Considered doubtful	28.48	28.48
Less : Provision for doubtful dues TOTAL	(28.48) 2,347.47	(28.48)
IOIAL		2,986.81
	Current Year	Previous year
Note 16		
Revenue from operations A. Income from Erection and Commissioning Contract and Supervision		
Contracts and Supervision. (i) Domestic	24,402.52	15,865.80
Add : Closing Contracts in Progress	(3,579.18)	462.84
Less : Opening Contracts in Progress	462.84	1,467.54
	20,360.50	14,861.10
B. Other operating revenues Balances earlier Written Off now Recovered		3.50
Profit on Sale of Assets	2.79	3.30
Provision for Doubtful Debt Written-back	194.45	517.78
Miscellaneous Income	33.78	156.67
	231.02	681.28
TOTAL (A + B)	20,591.52	15,542.38

Notes to Financial Statements

	Rs in Lakh	Rs in Lakh
Particulars	Current	Previous Year
Note 17	year	Tear
Other income		
	0.99	1.18
Interest Income (Gross) [Tax Deducted at source Rs. Nil (Previous Year Nil)]	0.99	1.18
Dividend Income		
Current Investment	107.73	6.61
Net gain on sale of investments		
Current Investment	-	0.04
Exchange Difference Income (Net)	0.31	1.97
TOTAL	109.03	9.80
Note 18		
Employee Benefits Expense		
Salaries and wages	1,877.45	1,676.04
Contribution to provident and other funds	110.89	115.27
Staff welfare expenses	8.12	5.80
Gratuity (Refer Note no. 2 of Note 15)	13.99	(0.72)
TOTAL	2,010.45	1,796.39
IOTAL	2,010.15	1,790.57
Note 19		
Finance Costs		
Interest expense	4.23	4.19
TOTAL	4.23	4.19
Note 20		
OTHER EXPENSES		
Site Expenses and Contract Labour Charges	874.60	666.33
Erection, Fabrication Charges	15,458.95	11,718.22
(including Consumables and Safety materials)		
Rent and Service Charges	63.39	63.33
Rates and Taxes	0.10	0.02
Insurance	22.51	26.40
Repairs & Maintenance		
- Buildings	6.72	8.09
- Others	23.05	26.28
Communication	37.08	35.99
Travelling & Conveyance	441.58	387.56
Bank Charges	22.30	24.17
Legal & Professional charges	10.06	11.50
Printing & Stationery	5.58	17.43
Bad Debts Written Off	87.25	153.89
Provision for Doubtful Debts/Customer Claims	591.91	339.16
Liquidated Damages	-	13.92
Loss on sale of Assets	0.01	2.36
Balances Written Off	10.27	2.22
Donations & Charitable Contributions	12.00	-
(Refer Note no.12 of Note 15)		
Miscellaneous Expenses (Refer Note no.5 of Note 15)	140.76	86.77
Interest (other than interest on borrowings)	2.46	1.02
TOTAL	17,810.58	13,584.66

Note 15

1.1 Significant Accounting Policies

a) Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material respect with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in preparation of financial statements are consistent with those of previous year.

b) Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised.

c) Fixed Assets - Tangible Assets and Intangible Assets

Tangible fixed assets are stated at cost (net of refundable taxes or levies) and include any other attributable cost for bringing the assets to working condition for their intended use. Borrowing cost, if any, attributable to fixed assets is capitalised.

Expenditure incurred on acquisition or, as the case may be, on development of goodwill, technical know-how, software, and other intangibles is recognised as on Intangible Asset, if it is expected that such asset will generate future economic benefits not less than their carrying cost.

d) Depreciation

Depreciation on Furniture & Fixtures, Air Conditioners, Office Equipments, Electrical Installation at Head Office and site is provided by the Straight Line Method. The management has carried out an estimation of the useful lives of fixed assets based on internal and external technical evaluation. Based on such evaluation, in respect of the following categories of fixed assets, useful life differs from that specified in the Schedule II to the Companies Act 2013.

SR. NO.	ASSET CATOGERY	COMPANY'S ESTIMATE OF USEFUL LIFE (YEARS)
1	Plant & Machinery	1-7
2	Furniture & Fixture	2
3	Office Equipment	2-3
4	Vehicles	3-5
5	Software	3

The useful life of the asset categories are as under.

Depreciation is provided at higher rate than the rates prescribed in the schedule II of Companies Act 2013 due to higher wear and tear at sites which are located in remote areas with poor infrastructure.

e) Asset Impairment

Provision for impairment loss, if any, is recognized to the extent by which the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of an asset's estimated net selling price and its value in use. Value in use is determined on the basis of the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

f) Investments

Investments classified as long-term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary in nature, in the carrying amount of such long-term investments.

Notes to Financial Statements

Investments classified as current investments are carried at lower of cost and fair value.

g) Employee Benefits

Long-Term Benefits

1. Provident Fund

Liability on account of the company's obligation under the employee's provident fund, a defined contribution plan, is charged to statement of profit and loss on the basis of the statutory liability to contribute.

2. Superannuation Fund

Liability on account of the company's obligation under the employee's superannuation fund, a defined contribution plan, is charged to the statement of profit and loss on the basis of the plan's liability to contribute.

3. Gratuity

- Liability on account of company's obligation under the employee gratuity plan, a defined benefit plan, is provided on the basis of actuarial valuation, using projected unit credit method.
- b. Fair value of plan assets, being the fund balance on the balance sheet date with Life Insurance Corporation under group gratuitycum-life assurance policy is recognised as an asset.
- c. Current service cost, interest cost and actuarial gains and losses are charged to the statement of profit and loss.
- Past service cost/effect of any curtailment or settlement is charged/ credited to the statement of profit and loss, as applicable.

Short-Term Benefits

1. Compensated Absences

Liability on account of the company's obligation under the employee's leave policy is charged to the statement of profit and loss at the undiscounted amount of such liability calculated with reference to leave earned but not availed as at the balance sheet date.

2. Medical and Leave Travel Assistance benefits

Liability on account of the company's obligations under the employee's medical reimbursement scheme and leave travel assistance is charged to statement of profit and loss at the undiscounted amount of such liability.

3. Bonus & Employee's Short Term Incentive Plan

Liability on account of the company's obligations in respect of bonus as per Payment of Bonus Act, 1965 and employee short-term incentive plan as applicable is charged to the statement of profit and loss at the undiscounted amount of such liability.

h) Provisions and Contingent Liabilities

Provisions in respect of present obligations arising out of past events (recognised in the manner required by AS 29 are made in the accounts when a reliable estimate can be made of the amount of the obligations. Contingent liabilities in respect of possible obligations arising from past events are disclosed by way of a note to the Balance Sheet.

Contingent liabilities are disclosed by way of note to the financial statements, after careful evaluation by the management of the facts and legal aspects of the matter involved.

i) Revenue Recognition

Revenue in respect of contracts of civil work, erection and commissioning of boilers and co-generation plants etc., execution of which is spread over different accounting periods is recognized on the basis of percentage of completion method as provided in AS 7.

Stage of completion is determined by the proportion that contract costs incurred for work done till date bears to the estimated total contracts costs.

Difference between costs incurred plus recognized profits / less recognized losses and the amount of invoiced sale is disclosed as contract in progress.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the company, some of which are of a technical nature, concerning where relevant, the percentage of completion, costs to completion, the expected revenue from the contract and the foreseeable losses to completion.

Provision for expected loss is recognized immediately when it is probable that the total estimated contract cost will exceed total contract revenue.

Revenue in respect of long-term service / supervision contracts is recognized on the basis of stage of completion as provided in AS 9.

Dividend from investments is recognized when the company's right to receive is established.

Interest income is recognized on time proportion basis.

j) Borrowing Costs

Borrowing cost on working capital are charged to statement of profit and loss in the year incurred.

k) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the respective dates of the transactions.

Exchange differences arising on settlement of transactions in foreign currency are recognised in the statement of profit and loss.

Foreign currency monetary item balances in the balance sheet are translated at the closing exchange rates and the resulting exchange difference is recognised in the statement of profit and loss.

Assets (other than fixed assets) and liabilities denominated in foreign currency are translated at the closing exchange rates.

l) Taxes on Income

Current tax is provided on the basis of estimated tax liability, computed as per applicable provisions of the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

m) Others

A liability for liquidated damages is recognized when it is deducted or claimed by the customer or when a reasonable estimate of the likely obligation can be made.

Provision for doubtful debts is made on basis of standard norms in respect of debtors outstanding beyond pre-defined period and also where required on actual evaluation.

Rs. Lakh

2 Employee Benefits

a) Defined Benefit Plans for Employees (AS 15)

Sr. No.	Particulars	2014-15	2013-14
i	Components of Employer expense		
a	Current Service Cost	17.32	15.15
b	Interest Cost	9.60	8.75
c	Expected Return on Plan Assets	-14.88	-11.93
d	Actuarial (Gain)/Loss	1.95	-12.69
e	Past Service Cost	0	0
f	Total expense recognised in the Profit and Loss Account	13.99	-0.72

Notes to Financial Statements

			Rs. Lakh
Sr. No.	Particulars	2014-15	2013-14
ii	Net Assets/(Liability) recognised in Balance Sheet as at 31st March		
а	Present Value of Obligation	146.52	120.03
b	Fair Value of Plan Assets	-205.71	-166.34
с	(Asset)/Liability recognised in the Balance Sheet	-59.19	-46.31
iii	Change in Gratuity Obligation during the year		
a	Present Value of Obligation at the beginning	120.03	111.19
b	Current Service Cost	17.32	15.15
с	Interest Cost	9.60	8.75
d	Actuarial (Gain)/Loss	-0.43	-11.42
e	Benefit Paid	0	-3.64
f	Present Value of Obligation at the end	146.52	120.03
iv	Changes in the Fair Value of Plan Assets		
a	Present Value of Plan Assets as 31st March	166.34	131.95
b	Expected Return on Plan Assets	14.88	11.93
с	Actual Company Contribution	26.87	24.82
d	Benefits Paid	0	-3.64
e	Actuarial Gain/(Loss)	-2.38	1.27
f	Present Value of Plan Assets as 31st March	205.71	166.34
v	Actual Return on Plan Assets	12.50	13.20
vi	Actuarial Assumptions		
a	Discount Rate	8% p.a.	8% p.a.
b	Expected Rate of Return	8% p.a.	8% p.a.
с	Mortality	LIC 2006-08 ULTIMATE	LIC 2006-08 ULTIMATE
d	Future Salary Increases	7% p.a	7% p.a
e	Disability	Nil	Nil
f	Attrition	5% p.a	5% p.a
g	Retirement	60 years	60 years

vii) Amounts recognised in current year and previous four years

					Rs. Lakh
Particulars	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Gratuity					
Defined Benefit Obligation	146.52	120.03	111.19	93.12	74.09
Plan Asset	205.71	166.34	131.95	102.66	82.17
(Surplus)/Deficit	(59.19)	(46.31)	(20.76)	(9.54)	(8.08)
Experience adjustments in plan liabilities	(0.43)	(11.42)	6.26	4.68	10.66
Experience adjustments in plan assets	(1.45)	1.27	1.87	0.48	0.55
Classified as Non-Current	(59.19)	(46.31)	(20.76)	(9.54)	(8.08)
Classified as Current	-	-	-	-	-
Total	(59.19)	(46.31)	(20.76)	(9.54)	(8.08)

viii) Defined Contribution Plans amount recognised in the Statement of Profit and Loss

		Ks in Lakn
Particulars	2014-15	2013-14
Provident and other funds paid	110.89	115.27

ix) Major Category of Plan Assets as a % of total Plan Assets

		Rs in Lakl
Particulars	2014-15	2013-14
Government Securities	100%	100%
(Central and State)		
Corporate Bonds	-	-
Equity Shares of Listed Companies	-	-
Fixed Deposits under Special	-	-
Deposits Schemes of Central	-	-
Government	-	-
Public Sector Unit Bonds	-	-
Total %	100%	100%

x) Expected Contribution to funds in next year

			no in Eann
Sr no.	Particulars	FY 15-16	FY 14-15
1	Gratuity	27.50	25.00
2	Provident Fund	165.00	150.00

3. Contingent Liabilities not provided for (Rs in Lakh)

- a) Income tax demands disputed in Appellate proceedings Rs 173.24 Lakh (Previous Year Rs. 130.66 Lakh)
- b) Sales tax demands disputed in Appellate proceedings Rs. 158.04 Lakh (Previous Year Rs. 22.96 Lakh)
- c) Bank Guarantees for advance payments and performance Rs. 735.00 Lakh (Previous Year Rs. 713.43 Lakh). Bank guarantees issued to statutory authorities Rs. 9.00 Lakh (Previous Year Rs 12.10 Lakh).

Standby Letter of Credit for advance payments and performance Rs. 6517 Lakh (Previous Year Rs. 2900 Lakh)

- d) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 2.06 Lakh (Previous Year Rs. 3.52 Lakh)
- Disputed demand in respect of Service Tax Rs. 548.57 Lakh (inclusive of interest) is under Appeal (Previous Year Rs 475.83 Lakh, inclusive of interest).

4. Micro & Small Scale Enterprises

Micro & Small scale enterprises as defined under the Micro, Small and Medium Enterprises Development Act 2006 have been identified to the extent of information available with the company. This has been relied upon by the auditors.

Rs. In Lakh

Rs in Lakh

	÷						
		Current Year		Previous Year			
S No.	Particulars	Principal Amount	Interest	Total	Principal Amount	Interest	Total
А	Total Outstanding to MSMED vendors	3.25	Nil	3.25	Nil	Nil	Nil
В	Principal amount and Interest due thereon to MSMED parties BOTH remaining unpaid as on 31st March 2015	Nil	Nil	Nil	Nil	Nil	Nil
С	Amount of Interest paid in terms of Sec 16 of MSMED Act along with the RELATED principal amount paid during the Year	Nil	Nil	Nil	Nil	Nil	Nil

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Notes to Financial Statements

D	Outstanding Interest (where principal amount has been paid off to the supplier but interest amount is outstanding as on 31st March 2015)	Nil	Nil	Nil	Nil	Nil	Nil
Е	Total Interest outstanding as on 31st March 2015 (Interest in 'b' + Interest in 'd' above)	Nil	Nil	Nil	Nil	Nil	Nil

5. Miscellaneous Expenses include :

		Rs. In Lakh
Particulars	2014-15	2013-14
Auditors' Remuneration		
(i) Audit Fees	4.50	3.50
(ii) Tax Audit Fees	0.90	0.90
(iii) VAT Audit Fees	0.60	0.60
(iv) Taxation Matters	-	0.95
(v) Reimbursement of expenses	0.02	0.02

6. Expenditure in Foreign Currency

Expen	unture in Foreign Currency		Rs. Lakh
		2014-15	2013-14
(i)	Travelling Expenses	132.23	87.96

The details of Foreign Travel expenses given above are on accrual basis.

7. In respect of contracts in progress

		Rs. Lakh
Particular	2014-15	2013-14
a) Aggregate amount recognised as Contract Revenue (RR) for the Year	20360.48	14861.10
b) In respect of contracts in progress as on 31st March :		
 Aggregate amt of Costs incurred and recognised profits (less recognised losses) (including amounts carried forward from previous years) 	55710.59	49599.34
2. Amount of Customer Advances received.	788.78	1029.21
3. Amount of Retentions	1103.43	1440.51
c) Gross amount due from customers for contract work	897.95	1919.20
d) Gross amount due to customers for contract work	4477.13	1456.36

8. In cases where letters of confirmation have been received from parties, book balances have been generally reconciled and adjusted. In other cases, balances in accounts of trade receivables, trade payables and advances or deposits have been taken as per books of account.

9. Segment Reporting:

Primary Segment

Based on the guiding principle given in the Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company is operating in a single business segment viz. Energy.

Secondary Segment

The Company caters mainly to the needs of Indian markets. Hence, there are no reportable geographical segments.

10. Related Party Disclosures

Related party disclosures as required under Accounting Standard 18 issued by the Institute of Chartered Accountants of India are given below:

A) List of related parties and description of relationships:

:

Fellow Domestic Subsidia	iry	
Thermax Limited	-	Holding Company
RDA Holding Pvt. Ltd.	-	Ultimate Holding Company

S. No	Name of the Fellow Domestic Subsidiary	Location
1	Thermax Instrumentation Limited	India
2	Thermax Sustainable Energy Solutions Limited	India
3	Thermax Onsite Energy Solutions Limited	India

Fellow Overseas Subsidiary

S. No	Name of the Fellow Domestic Subsidiary	Location
1	Thermax International Limited	Mauritius
2	Thermax Hong Kong Limited	Hong Kong
3	Thermax Europe Limited	U.K
4	Thermax Inc.	U.S.A
5	Thermax (Zhejiang) Cooling and Heating Engineering Co. Limited	China
6	Thermax do Brasil Energia e Equipametos Ltda.	Brazil
7	Thermax Netherlands B.V.	Netherlands
8	Thermax Denmark ApS	Denmark
9	Danstoker A/S	Denmark
10	Omnical Kessel- und Apparatebau GmbH (under Liquidation)	Germany
11	Ejendomsanpartsselskabet Industrivej Nord 13	Netherlands
12	Rifox – Hans Richter GmbH	Germany
13	Thermax SDN.BHD	Malaysia
14	Boilerworks A/S, (Denmark)	Denmark
15	Boilerworks Properties ApS, Denmark	Denmark
16	Thermax Engineering Singapore Pte Ltd	Singapore
17	PT Thermax International Indonesia -(Step down subsidiary of Thermax Engineering Singapore Pte Ltd).	Indonesia
18	Thermax Senegal SARL - (Step down subsidiary of Thermax International Ltd., Mauritius)	Senegal

S. No	Name of the Fellow Joint Venture Subsidiary	Location
1	Thermax Babcock & Wilcox Energy Solutions	India
	Pvt. Ltd.	
2	Thermax SPX Energy Technologies Ltd	India

B) Individuals having control or significant influence over the Company by reason of voting power, and their relatives:

- 1. Mrs. Meher Pudumjee Chairperson of Parent Company
- 2. Mrs. Anu Aga Director of Parent Company
- 3. Mr. Pheroz Pudumjee Director of Parent Company

Notes to Financial Statements

- C) Enterprise, over which control is exercised by Individuals listed in B as above:
 - 1. Thermax Social Initiative Foundation India

D) Key Management Personnel:

- 1. Mr. Upsen S Umale Chief Executive Officer
- a) Transactions with the Related Parties

		Rs in Lakh
Particulars	2014 - 15	2013 - 14
1. Sales (including recovery of expenses)		
Thermax Ltd (Incl. Reimbursement)	8,552.42	9,022.32
Thermax Instrumentation Ltd	3.52	0.00
2. Project Execution Expenditure		
Thermax Ltd	70.56	77.98
3. Receiving of Services		
Thermax Ltd	189.11	155.40
4. Expenses		
Deputation of Employees from Thermax Ltd	30.01	0.00
Donation to Thermax Social Initiative Foundation	12.00	0.00
5. Guarantees and Collaterals		
Thermax Ltd	9,000.00	9,000.00
6. Amount Outstanding – Loan / Advances, Receivables		
Account Receivables		
Thermax Ltd	1,904.40	1,164.94
Trade Advances		
Thermax Ltd	260.05	385.38
7. Amounts Payable		
Thermax Ltd	24.12	12.38

11. Earning Per Share (EPS)

Earnings per share calculated in accordance with Accounting Standard 20 issued by the Institute of Chartered Accountants of India.

		Rs in Lakh
Particulars	2014-15	2013-14
Net profit available for Shareholders (Rs. In Lakh)	578.28	12.47
Weighted average number of Equity Shares of Rs. 10 each	45,00,000	45,00,000
Basic and Diluted earning per share (Rs.) Face Value per share of Rs 10/- each	12.85	0.28

- 12. Pursuant to the provisions of Section 135 of the Companies Act, 2013, the company has contributed Rs. 12.00 Lakh to Thermax Social Initiative Foundation as donation towards carrying out activities eligible under Corporate Social Responsibility Rules.
- 13. Previous year's figures have been regrouped / rearranged wherever necessary to conform to this year's classification.

As per our report of even date For and on behalf of the Board

For B. K. Khare & Co.

Chartered Accountants

Firm Registration No. 105102W

Prasad V. Paranjape Partner Membership No. 047296

Pravin Karve Director

Amitabha	Mukhopadhyay
Director	

Pune: 5th May 2015

Pune: 5th May 2015

Cash Flow Statement for the year

Par	rticulars	Rs in Lakh Year ended 31 March 2015	Rs in Lakh Year ended 31 March 2014
Α	Cash Flow from Operating Activities		
	Profit before taxation	785.07	88.52
	Adjustment for :		
	Depreciation	90.22	78.42
	Profit on sale of tangible assets	(2.79)	(3.33)
	Loss on sale of tangible assets	0.01	2.36
	Profit on sale of investments	0.00	(0.04)
	Provision for Doubtful Debts	591.91	339.16
	Provision for Doubtful Debts - Reversal during the year	(194.45)	(517.78)
	Dividend Income	(107.73)	(6.61)
	Interest Income	(0.99)	(1.18)
	Interest Expenses	4.23	4.19
	Operating profit before working capital changes	1165.48	(16.29)
	Changes in Working Capital:		
	Increase / (Decrease) in trade payables	306.77	(392.28)
	Increase / (Decrease) in Current trade payables	1459.53	(131.18)
	Increase / (Decrease) in provisions	50.89	(67.48)
	Increase / (Decrease) in other current liabilities	2810.91	(287.71)
	(Increase) / Decrease in trade receivables	(3060.67)	592.92
	(Increase) / Decrease in loans & advances	(1201.57)	(469.79)
	(Increase) / Decrease in other current assets	1021.49	804.76
	(Increase) / Decrease in Non-current assets	(28.68)	(156.22)
	Cash Generated from Operations	2524.16	(123.27)
	Taxes paid (net of refunds)	(719.15)	(542.32)
	Net Cash generated from operating activities	1805.00	(665.59)
В	Cash flow from Investing Activities		
	Purchase of tangible assets	(121.70)	(142.13)
	Sale of tangible assets	3.88	6.09
	Sale of current investments	(1624.97)	111.97
	Interest received	0.99	1.18
	Dividends received	107.73	6.61
	Net cash from investing activities	(1634.07)	(16.28)
С	Cash flow from Financing Activities		
	Short term Borrowings	(435.13)	475.67
	Interest Expenses	(4.23)	(4.19)
	Net Cash Inflow from financing activities	(439.36)	471.48
	Net increase in Cash and Cash equivalents (A + B + C)	(268.43)	(210.39)
	Cash and Cash equivalents at the beginning of the year	872.40	1,082.79
	Cash and Cash equivalents at the end of the year	603.97	872.40
	Cash and Cash equivalents at the end of the year Cash and Cash equivalents comprise of :	003.77	072.40
	Cash on Hand	0.99	1.20
	Cheques on Hand	0.07	441.00
	Balances with Banks in Current and Deposit	602.91	430.20
	Accounts Total	603.97	872.40

As per our report of even date For and on behalf of the Board For B. K. Khare & Co.

Chartered Accountants

Firm Registration No. 105102W

Prasad V. Paranjape Partner Membership No. 047296 Pravin Karve Director

Amitabha Mukhopadhyay Director

Pune: 5th May 2015

Board of Directors

Ravinder Advani B.C. Mahesh Amitabha Mukhopadhyay R. V. Ramani Ajay Joshi- Independent Director Ashok K. Joshi- Independent Director

Key Managerial Personnel

M. L. Bindra (Manager) (Appointed on January 16, 2015) Vedhanarayanan K. S. (Chief Financial Officer) (Appointed on January 16, 2015) Sudhir Lale (Company Secretary) (Appointed on January 16, 2015)

Registered Office

Thermax House, 14, Mumbai – Pune Road, Wakdewadi, Pune - 411003

Corporate Office

Sai Chambers 15, Mumbai-Pune Road, Wakdewadi, Pune - 411003

Auditors

B. K. Khare & Co. Chartered Accountants Hotel Swaroop, 4th Floor, Lane No. 10, Prabhat Road, Pune 411004

Bankers

Union Bank of India HDFC Bank Limited State Bank of India Corporation Bank ICICI Bank Citibank NA

Directors' Report

Dear Shareholder,

Your directors present the Nineteenth Annual Report for the year ended March 31, 2015.

FINANCIAL RESULTS

		(Rs. in lacs)	
Particulars	2014-2015	2013-2014	
Total Income	10,234.50	14,850.20	
Profit / (Loss) before Depreciation	771.34	640.93	
Depreciation	33.46	43.49	
Profit / (Loss) before Tax	737.88	597.44	
Provision for Taxation including Deferred Tax	368.96	757.56	
Profit / (Loss) after tax	368.92	(160.12)	

PERFORMANCE

During the year, your company earned a total income of Rs. 10,234.50 lacs against Rs. 14,850.20 lacs in the previous year. Profit before tax stood at Rs. 737.88 lacs (previous year Rs. 597.44 lacs) and profit after tax was Rs. 368.92 lacs (previous year loss after tax of Rs. 160.12 lacs).

In FY 2014-15, the company commissioned 6 power plants aggregating 92 MW including 2x23 MW gas based power plant in one of the state in North East India. Its performance continued to be impacted due to lower order booking, less book-and-bill during the year. However, profitability improved due to increased revenue through international operations, and gaining from strict cost controls and tighter monitoring initiated by 'Project Transcend'.

During the year the company could complete two major contracts. A 300 MW Independent Power Project (IPP) and a 120 MW Captive Power Plant. The IPP is in advanced stage of closure and the Captive Power Plant has been commercially closed.

The company is currently managing construction activities of about 265 MW plants of power generation and Operation & Maintenance of six overseas power plants of about 70 MW. Due to the continued slowdown in the power sector, the year did not see many order finalisations and the situation continues to be challenging. Order booking in captive sector in current year was (Rs. 8,160 lacs as against Rs.7,145 lacs in the previous year).

The management has carried out the estimation of the useful life of assets based on internal and external technical evaluation. Based on this evaluation, the useful life of fixed assets has been revisited. A detailed note is appearing in the notes to accounts (Ref. Note no.24(3)(1)(i)).

HEALTH & SAFETY

The company continues to focus on improving safety at construction sites and, during the year, they have remained free of fatal accidents. Your company's performance in this area has been recognised by some of its large customers, including awards from North Eastern Electric Power Corporation Ltd., Grasim Industries Limited Bharuch and J K Cement, Mangrol.

DIVIDEND

(D - :-- 1----)

In view of the accumulated losses the directors do not recommend any dividend during the year.

PUBLIC DEPOSITS

The company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpiad / unclaimed deposit(s) as on March 31, 2015.

BUSINESS RISK MANAGEMENT

The company has a process of evaluating risk. It keeps track of risk portfolio and every quarter tracks the changes of any risk and prepare its mitigation plan. The Board is informed about the changes in economical and environmental factors and its impact on strategic business decision and risk portfolio. After detailed review of risk and mitigation measures the management has confirmed that there is no risk as on date which threatens the existence of the company. It will continue to actively monitor and strengthen its risk management framework.

The company has put fully an integrated computer system to track and monitor statutory compliances. The Company is in the process of upgrading its ERP system.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal controls are reviewed by the Internal Audit Department of the holding company on periodical basis. All significant and material observations emerging out of internal audit are regularly reported to the Audit Committee of the Board and follow-up measures are taken.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your company intends to constitute a policy on appointment and remuneration of directors and key managerial personnel during the current Financial Year.

KEY MANAGERIAL PERSONNEL

During the year under review the company has appointed the following persons as key managerial personnel:

Sr. No.	Name of the person	Designation
1	M. L. Bindra	Manager
2	Vedhanarayan K. S.	Chief Financial Officer
3	Sudhir Lale	Company Secretary

DIRECTORS

Ajay Joshi and Ashok K. Joshi have been inducted on the Board of your company as Independent Directors on March 31, 2015 for a period of three years from March 31, 2015 to April 1, 2018.

In accordance with the provisions of the Companies Act, 2013 and the company's Articles of Association, Ravinder Advani retires by rotation, and being eligible, offers himself for re-appointment as director.

DECLARATION BY INDEPENDENT DIRECTORS

The company has received declarations from the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

MANAGER

M. L. Bindra has been appointed as 'Manager' of the company without remuneration, pursuant to Companies Act, 2013 on March 31, 2015 for the period from April 1, 2015 to March 31, 2016.

BOARD MEETINGS

During the year the Board met five times on April 28 2014, July 14 2014, October 17 2014, January 16, 2015 and March 31, 2015. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES OF THE BOARD

The Board has reconstituted following committees' viz. Audit Committee and Nomination and Remuneration Committee.

AUDIT COMMITTEE

The Audit Committee met four times during the year on April 28, 2014, July 14, 2014, October 17, 2014 and January 16, 2015.

Following the induction of the independent directors of the company, the Board has reconstituted the Audit Committee on March 31, 2015. The Committee now comprises 3 (Three) members, all being non-executive directors. Ajay Joshi, is the chairman. Amitabha Mukhopadhyay and Ashok K. Joshi are the other members of the committee. The terms of reference of the Audit Committee are as follows:

- Review recommendations for appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 3. Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the company with related parties;
- 5. Scrutiny of inter-corporate loans and investments;
- 6. Valuation of undertakings or assets of the company, wherever it is necessary;
- 7. Evaluation of internal financial controls and risk management systems;
- 8. Decide scope of internal audit;
- 9. Investigate into / act on any matter as may be referred to it by the Board.

NOMINATION AND REMUNERATION COMMITTEE

In compliance with Section 178 of the Companies Act, 2013, the Board on March 31, 2015 has reconstituted the erstwhile "Remuneration Committee" as the "Nomination and Remuneration Committee". The committee now comprises 3 (Three) members, B. C. Mahesh is the chairman of the committee. Ajay Joshi and Ashok K. Joshi are the other members of the committee. The terms of reference of the Nomination and Remuneration Committee as follows:

- Formulation of policies and process on appointment of directors of the company, key managerial personnel (KMP), senior management officials and employees and recommend to the Board their appointment and removal.
- 2. Formulation of performance evaluation process of senior management, KMP and directors.
- Formulation of policy on determination of qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- 4. Review compensation trends across the industry.
- 5. Review human resource policies and processes.
- 6. Review the identified talent and their retention strategies.
- 7. Succession planning of senior management and employees.
- 8. Any other matter that may be referred by the Board from time to time.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the company at large.

Particulars of contracts & arrangements with Related Parties are appended in Form AOC 2 as "Annexure 1".

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT - 9, as required under Section 92, of the Companies Act, 2013, is annexed herewith as "Annexure 2" and forms part of this report.

CONSERVATION OF ENERGY

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy has not been furnished considering the nature of business of the company.

TECHNOLOGICAL ABSORPTION

There was no technology acquisition and absorption during the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pertaining to foreign exchange earnings and outgo, under Section 134 (3) (m) of the Companies Act, 2013 is set out in note no. 24(3)(e) to the financial statements.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the regulators / courts which would impact the going concern status of the company and its future operations.

AUDITORS

M/s. B. K. Khare & Co., Chartered Accountants, retire as statutory auditors at the ensuing Annual General Meeting and are eligible for reappointment.

As required under the provisions of Section 139 (1) of the Companies Act, 2013, the company has obtained a written consent from them to the effect that their reappointment, if made, would be in conformity with the limits specified in the said section.

The Board has recommended appointment of M/s. SRBC & Co. LLP, Chartered Accountants, at the ensuing Annual General Meeting (AGM) as Joint Auditors of the Company for a term of five years. Necessary resolution for such appointment is mentioned in the Notice of the AGM for approval of the Members.

ACKNOWLEDGEMENTS

Your directors wish to place on record their appreciation for the continued support extended by the company's customers, vendors and bankers during the year; and the dedicated contribution made the employees and look forward to their continued support in the future as well.

> For and on behalf of the Board of Directors of Thermax Instrumentation Limited

Amitabha Mukhopadhyay B. C. Mahesh Director Director

Pune, May 5, 2015

Annexure 1

Form No. AOC-2

[(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

(Amount in Rs. Lacs)

Nature of Contracts / arrangements/ transactions	Name of the related party and nature of relationship (Fellow subsidiaries, expect Thermax Limited - Holding Company)	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or transactions including the value, if any
Sales, Service, Other income	Thermax Limited		4,283.43
Rendering of services	Thermax Limited		200.55
Reimbursement of Expenses received/ cost of material / Stores	Thermax Limited		419.17
Receiving of Services	Thermax Limited	Various	115.20
	Thermax Engineering Construction Co Ltd.	, various	3.51
	Thermax SPX Energy Technologies Ltd.		16.20
Guarantee / Bond / Collateral Taken from Parent Company and outstanding as on 31st March	Thermax Limited		4,310.49

For and on behalf of the Board of Directors of Thermax Instrumentation Limited

Place: Pune Date: May 5, 2015 Amitabha Mukhopadhyay Director B. C. Mahesh Director

ANNEXURE 2

FORMNO.MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

I.	CIN	:	U72200MH1996PTC099050
II.	Registration Date	:	23.04.1996
III.	Name of the Company	:	Thermax Instrumentation Limited
IV.	Category / Sub-Category of the Company	:	Public Company / Limited by Shares
V.	Address of the Registered office and contact details	:	Thermax House, 14, Mumbai – Pune Road, Wakdewadi, Pune- 411003
VI.	Whether listed company	:	No
VII.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Civil, Erection and Commissioning	9954	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the company	CIN/GLN	Holding /Subsidiary/ Associates	% of Shares held	Applicable Section
1	Thermax Limited	L29299MH1980PLC022787	Holding	100	2(46)
	D-13, M.I.D.C. Industrial Area, R.D. Aga Road, Chinchwad, Pune - 411 019				

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of	Shareholders	No. of Sh	ares held at th (As on 01		f the year	No. of	Shares held a (As on 31		ie year	% Change during the
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	year
A. Promot	ters									
(1) Indian		-	-	-	-	-	-	-	-	-
a) Individu	ual/ HUF	-	6	6	0	-	6	6	0	0
b) Central	Govnt(s)	-	-	-	-	-	-	-	-	-
c) State G	ovnt (s)	-	-	-	-	-	-	-	-	-
d) Bodies	Corp.	-	18999994	18999994	100	-	18999994	18999994	100	0
e) Banks/I	FI	-	-	-	-	-	-	-	-	-
f) Any Ot	her (Relative of Director)	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	-	19000000	19000000	100	-	19000000	19000000	100	0
(2) Foreign	n	-	-	-	-	-	-	-	-	-
a) NRIs Ir	ndividuals	-	-	-	-	-	-	-	-	-
b) Other -	Individuals	-	-	-	-	-	-	-	-	-
c) Bodies	Corp.	-	-	-	-	-	-	-	-	-
d) Banks/	FI	-	-	-	-	-	-	-	-	-
Sub-total (A	A) (2):-	-	-	-	-	-	-	-	-	-
Total share (A)(1)+(A) (holding of Promoter (A)= (2)	-	19000000	19000000	100	-	19000000	19000000	100	0

Category of Shareholders		No. of Sha	ares held at the (As on 01-		of the year	No. of	f Shares held at (As on 31-		he year	% Change during the
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	year
B.	Public Shareholding		•							
1.	Institution									
a)	Mutual Funds									
b)	Banks/FI									
c)	Central Govt									
d)	State Govt(s)									
e)	Venture Capital Funds									
f)	Insurance Companies									
g)	FIIs									
h)	Foreign Venture Capital Funds									
i)	Any other									
Su	ib-total(B)(1):-									
2.	Non- Institutions									
a)	Bodies Corp.									
	i) Indian									
	ii) Overseas									
b)	Individuals									
	 i) Individual shareholders holding nominal share capital upto Rs. 1 lakh 					NIL				
	ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh									
c)	Others (specify)									
	- Directors Relative									
	- Trusts									
	- Foreign Bodies Corporate									
	- Foreign Bodies-DR									
	- Non Resident Indian									
	- HUF									
	- Clearing Members									
Sul	ib-total(B)(2):-									
	tal Public Shareholding (B)=(B)(1)+)(2)									
C)	Shares held by Custodian for GDRs & ADRs									
Gr	rand Total (A+B+C)	-	19000000	19000000	100	-	19000000	19000000	100	0

(ii) Shareholding of Promoters

SI No.	Shareholder's Name		g at the beginnin As on 01-04-2014		5		the end of the year 1-03-2015)		
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year	
1	Thermax Limited	18999994	100	NIL	18999994	100	NIL	NIL	
2	Arnavaz Rohinton Aga jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL	

SI No.	Shareholder's Name		g at the beginnin As on 01-04-2014		5	Shareholding at the end of the year (As on 31-03-2015)			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year	
3	Meher Pheroz Pudumjee jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL	
4	Pheroz Nusly Pudumjee jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL	
5	M. S. Unnikrishnan jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL	
6	Ishrat Mirza jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL	
7	Abhay Shah jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL	
	TOTAL	1900000	100	NIL	19000000	100	NIL	NIL	

iii) Change in Promoters' Shareholding: NIL

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)		Shareholding at the end of the year (As on 31-03-2015)		
		No. of Shares % of total Shares of the company		No. of Shares	% of total Shares of the company	
	At the beginning of the year					
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL				
	At the End of the year					

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NIL

Sl. No.	Name of the shareholder	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Share the year (01-04- 201	2014 to 31-03-
		No. of shares at the beginning (01-04- 2014) / end of the year (31-03-2015)	% of total shares of the company				No. of shares	% of total shares of the company
	NIL							

(V) Shareholding of Directors and Key Managerial Personnel: NIL

Sl. No.	Name of the shareholder	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Share the year (01-04-2 2015	2014 to 31-03-	
		No. of shares at the beginning (01-04- 2014) / end of the year (31-03-2015)	% of total shares of the company				No. of shares	% of total shares of the company	
	NIL								

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding /accrued but not due for payment

				Amount in Rs. Lacs
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2014)				
i) Principal Amount	893.59	0	0	893.59
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	893.59	0	0	893.59

				Amount in Rs. Lacs
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in indebtedness during the financial year				
Addition	0	0	0	0
Reduction	684.74	0	0	684.74
Net Change	684.74	0	0	684.74
Indebtedness at the end of the financial year (31.03.2015)				
i) Principal Amount	208.85	0	0	208.85
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	208.85	0	0	208.85

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Manager (M. L. Bindra)			
1	Gross salary				
	(a) Salary as per provisions contained insection 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961				
	(c) Profits in lieu of salary undersection17(3)Income- taxAct,1961				
2	Stock Option				
3	Sweat Equity	NIL			
4	Commission - as % of profit - others, specify				
5	Others, please specify (Retrial Benefits)				
	Total(A)				
	Ceiling as per the Act				

B. Remuneration to other directors:

SI. no.	Particulars of Remuneration		Name of Directors				
1.	Independent Directors	Ajay Joshi	Ashok K. Joshi	-	-		
	Fee for attending board / committee meetings			•	1		
	Commission			NU			
	Others, please specify			NIL			
	Total(1)						
2.	Other Non-Executive Directors Directors	Amitabha Mukhopadhyay	B. C Mahesh	R. V. Ramani	Ravinder Advani		
	Fee for attending board /		•				
	Committee meetings						
	Commission						
	Others, please specify						
	Rent for Premises						
	Security Deposit for Lease Premises			NIL			
	Total(2)						
	Total(B)=(1+2)						
	Total Managerial (A+B) Remuneration						
	Over all Ceiling as per the Act						

C. Remuneration to key managerial personnel other than MD/Manager/Whole Time Director

				Amount in Rs. Lacs
Sl. no.	Particulars of Remuneration		Key Managerial Personnel	
		Company Secretary (Sudhir Lale)	Chief Financial Officer (Vedhanarayanan K. S.)	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section17(1)of the Income-tax Act,1961	13.31	19.08	32.40
	(b) Value of perquisites u/s 17(2)Income-taxAct,1961	0.33	0.44	0.77
	(c) Profits in lieu of salary under section 17(3)Income-taxAct,1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission	0	0	0
	- as% of profit			
	- Others, specify			
5.	Others, please specify (Retrial Benefits)	0	0	0
	Total	13.64	19.52	33.17

VII. Penalties /Punishment/ compounding of offences:

Туре	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any (give Details)
a) Company					
Penalty					
Punishment					
Compounding					
b) Directors					
Penalty			NIII		
Punishment			NIL		
Compounding					
c) Other Officers in Default					
Penalty					
Punishment					
Compounding					

Independent Auditor's Report

To the Members of Thermax Instrumentation Limited

Report on the Financial Statements

 We have audited the accompanying financial statements of Thermax Instrumentation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statements of Profit and Loss and Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information in which are incorporated the Returns for the year ended on that date audited by the Branch auditors of the Company's branches at Philippines and Zambia.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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

- 3. Our responsibility is to express an opinion on these financial statements based on our audit.
- 4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
- 5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.
- 6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
- 7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Other Matter

 We did not audit the financial statements/information of 2 branches included in the financial statements of the Company whose financial statements / financial information reflect total assets of Rs. 1,723.16 Lakh as at March 31, 2015 and total revenues of Rs. 2,780.06 Lakh for the year ended on that date, as considered in the financial statements. The financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 10. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 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.
- 11. As required by Section 143(3) of the Act, we report that:
 - we have sought and 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 it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
 - c. the report on the accounts of the branch offices of the Company audited under section 143(8) of the Act by branch auditor's have been sent to us and have been properly dealt with by us in preparing this report.
 - d. 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 and with the returns received from branches not visited by us;
 - e. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - f. On the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No 24(3)(b) to the financial statements.
 - ii. The Company has made provision, as required under the accounting standards, for material foreseeable losses, on long-term contracts entered by the Company and the Company did not have any derivative contract for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Place: Pune Date: May 5, 2015 Prasad V. Paranjape Partner Membership Number: 047296

Annexure referred to Paragraph 10 of our report of even date:

- 1 (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
- 2 (a) In our opinion and according to the information and explanations given to us, the requirements of paragraph 4(ii) of the Companies (Auditors Report) Order, 2015 in respect of inventories are not, on facts, applicable to the Company and hence no comments have been offered there under.
- 3 There are no companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii) of the Companies (Auditors Report) Order, 2015 are not applicable to the Company.
- 4 In our opinion and according to the information and explanations given to us, the Company is having an adequate internal control system commensurate with the size and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. On the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across, nor have we been informed of, any continuing failure to correct any major weaknesses in the aforesaid internal control system.
- 5 The Company has not accepted any deposits within the meaning of section 73 of the Act and rules framed there under.
- 6 The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- 7 a) According to the records of the Company and information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, Sales tax, Wealth tax and Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other applicable statutory dues with the appropriate authorities.
 - (b) According to the records of the Company, the dues outstanding of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Excise, Duty of Customs, Value Added Tax, and Cess which have not been deposited on account of dispute are as follows-

Sr. No.	Name of the Statute	Nature of Dues	Amount under dispute not de- posited (Rs in Lakh)	Pe- riod to which amount relates*	Forum where dispute is pending
1	West Bengal Sales Tax	Sales Tax	53.27	2007-08 to 2008- 09	WBCT-Appeal and Revision Board, Kolkata.
2	West Bengal Sales Tax	Sales Tax	10.82	2009-10	JCST, Kolkata South Circle, Kolkata.
3	Andhra Pradesh Sales Tax	Sales Tax	3.33	2011-12	WBCT-Appeal and Revision Board, Kolkata.
4	Andhra Pradesh Sales Tax	Sales Tax	218.78	2007-08 to 2008- 09	Commercial Tax Officer, So- majiguda Circle, Hyderabad.
5	Tam- ilnadu	Sales Tax	1.26	2010-11	Jt.Commissioner of Commercial Tax, Chennai

Sr. No.	Name of the Statute	Nature of Dues	Amount under dispute not de- posited (Rs in Lakh)	Pe- riod to which amount relates*	Forum where dispute is pending
6	Chha- tisgarah	Sales Tax	12.49	2008-09	Add. Com- missioner, Commercial Tax, Division1, Raipur.
7	Service Tax	Service Tax	2,422.40	2006-07 to 2010- 11	CESTAT, Mumbai

*Amount under dispute includes Penalty.

- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 8 The Company's accumulated losses at the end of the financial year 2014- 2015, have exceeded fifty per cent of its net worth and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
- 9 Based on the records examined by us and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the Balance Sheet date.
- 10 According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of clause 3(x) of the Companies (Auditors Report) Order, 2015 are not applicable to the Company.
- 11 In our opinion, and according to the information and explanations given to us, during the year, no term loans have been obtained by the Company.
- 12 During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such case by the Management.

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

Place: Pune Date: May 5, 2015 Prasad V. Paranjape Partner Membership Number : 047296

Balance Sheet as at March 31, 2015

Profit and loss statement for the year ended March 31, 2015

		Rs in Lakh As at	Rs in Lakh As at
Particulars		March	March
	Note No.	31,2015	31,2014
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
a. Share capital	1	1,900.00	1,900.00
b. Reserves and surplus	2	(1,535.45)	(1,879.61)
		364.55	20.39
2. Non-current liabilities			
a. Other Long-term liabilities	3	1,298.39	1,734.24
b. Deferred tax Liability (Net)	11	12.64	13.60
		1,311.03	1,747.84
3. Current liabilities			
a. Short-term borrowings	4	208.85	893.60
b. Trade payables	5	1,799.18	2,097.61
c. Other current liabilities	6	8,178.72	8,962.26
d. Short-term provisions	7	295.79	234.16
		10,482.54	12,187.63
TOTAL		12,158.12	13,955.86
II ASSETS			
1. Non-current assets			
a. Fixed assets	8		
Tangible assets		245.25	284.30
 b. Long-term loans and advances 	9	12.53	10.76
c. Other non-current assets	10	1,361.14	1,598.55
		1,618.92	1,893.61
2. Current assets			
a. Current investments	12	272.39	256.37
b. Trade receivables	13	4,757.10	5,222.06
c. Cash and cash equivalents	14	870.10	1,827.98
d. Short-term loans and advances	15	378.33	442.33
e. Other current assets	16	4,261.28	4,313.51
		10,539.20	12,062.25
TOTAL		12,158.12	13,955.86
Notes to the financial statements	24		

The accompanying notes are an integral part of the financial statements.

Parti	culars	Note No.	Rs in Lakh Year Ended March 31, 2015	Rs in Lakh Year Ended March 31, 2014
Ι	Revenues from operations	17	10,020.25	14,480.35
Π	Other income	18	214.25	369.85
III	Total Revenue (I+II)		10,234.50	14,850.20
IV	Expenses :			
	Cost of materials consumed	19	958.61	823.03
	Site Expenses and Contract Labour Charges	20	6,044.79	11,187.42
	Employee benefits	21	1,756.20	1,481.67
	Finance costs	22	78.60	67.59
	Depreciation and amortisation		33.46	43.49
	Other expenses	23	624.96	649.56
	Total Expenses		9,496.62	14,252.76
V	Profit before exceptional and		737.88	597.44
	extraordinary items and tax (III-IV)			
VI	Exceptional items		-	-
VII	Profit / (Loss) before extraordinary items and tax (V - VI)		737.88	597.44
VIII	Extraordinary Items		-	-
IX	Profit / (Loss) before tax (VII- VIII)		737.88	597.44
Х	Tax expense:			
	1. Current tax		367.13	81.84
	 Short / (Excess) Prov for taxes for earlier year F.Y. 10-11 		-	555.53
	3. MAT Credit Utilised		-	91.96
	 Write off for lapse of MAT Credit Entitlement (for earlier years) 		-	14.52
	5. Deferred tax		1.83	13.71
XI	Profit / (Loss) for the period from continuing operations (VII-VIII)		368.92	(160.12)
XII	Profit / (Loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit / (Loss) from discontinuing operations (after tax) (XII-XIII)		-	-
XV	Profit / (Loss) for the period (XI + XIV)		368.92	(160.12)
XVI	Earning per equity share: (Refer Note No.3 m of Note 24)			
	1. Basic and Diluted		4.10	(1.78)
	2 Face Value per Share (Rs.)		10.00	10.00
Notes	to the financial statements	24		

The accompanying notes are an integral part of the financial statements.

As	per	our	report	of	even	date	

For B.K.Khare & Co.

Chartered Accountants Firm Registration No. 105102W

Prasad V. Paranjape Partner Membership No. 047296 M. L. Bindra Manager

Pune: May 5, 2015

Vedhanarayanan K.S. Chief Financial Officer

B.C.Mahesh

Director

For and on behalf of the Board

Amitabha Mukhopadhyay Director

Sudhir Lale Company Secretary

Pune: May 5, 2015

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Notes to Financial Statements

			Rs in Lakh As at March	Rs in Lakh As at March	
Particulars			31,2015	31,2014	
Note 1					
Share capital					
Share Capital			2,400.00	2,400.00	
Authorised 2,40,00,000 (Equity Shares of Rs 10/- Non-cumulative Redeemar Rs 10/- each)	each & 1,50,00	,000 1%			
Issued, Subscribed and	Paid-up		900.00	900.00	
90,00,000 (Previous Year Shares of Rs. 10/- each (f		quity			
1,00,00,000 (Previous Ye cummulative Redeemable					
10/- each (fully paid up)		-	1,000.00	1,000.00	
то	TAL	=	1,900.00	1,900.00	
a) Reconciliation of the sh	ares at the begi	nning and at th	e end of the rep	oorting period.	
Equity Shares	March	2015	March 2014		
	Nos	Rs Lakh	Nos	Rs Lakh	
At the beginning of the period	90,00,000	900	90,00,000	900	
Issued during the period	-	-	-	-	
Outstanding at the end of the period	90,00,000	900	90,00,000	900	
Preference Shares	March	2015	March	2014	
	Nos	Rs Lakh	Nos	Rs Lakh	
At the beginning of the period	1,00,00,000	1,000	1,00,00,000	1,000	
Issued during the period	-	-	-	-	

Issued during the period--Outstanding at the end1,00,00,0001,0001,00,00,000of the period1,00,00,0001,00,00,000

b) Term/rights attached to equity shares

The Company has only one class of equity shares having at par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Term/rights attached to preference shares

The Non-cummulative Redeemable Preference Shares issued on 29/03/2013 shall be redeemed in one or more tranches not later than a period of Five years from the date of allotment at face value. No voting rights are attached to the said Preference shares.

d) Shares held by holding / ultimate holding company and/ or their subsidiaries/ associates. 100% of the equity shares and preference shares are held by its holding company, Thermax Limited.

e) Details of Share holding more than 5% shares in the Company.

	March 2015	March 2014
Equity Shares of Rs. 10 each fully paid up		
Thermax Limited	100%	100%

Particulars	Rs in Lakh As at March 31,2015	Rs in Lakh As at March 31,2014
Note 2		
Reserves and Surplus		
Capital Reserves		
Per Last Balance Sheet	1,118.84	1,118.84
Forex Currency Translation reserve		
Per Last Balance Sheet	11.56	5.77
Adjusted to Profit and loss statement	(18.95)	5.79
	(7.39)	11.56
Surplus / (Deficit)		
Per Last Balance Sheet	(3,010.01)	(2,849.89)
Less : Additional depreciation [net of deferred tax of Rs.5.81 Lakh (Prev. year. Rs.Nil)] Also refer Note No. 3 (l)(ii) of Note 24	(5.81)	-
Profit / (Loss) for the year	368.92	(160.12)
	(2,646.90)	(3,010.01)
TOTAL	(1,535.45)	(1,879.61)
Note 3		
Other Long-term liabilities		
Trade payables (Refer Note No. 3 c of Note 24)	1,298.39	1,734.24
TOTAL	1,298.39	1,734.24
Note 4 Short-term borrowings Secured borrowings : Loans repayable on demand		
From banks	208.85	893.60
(Secured against book debts and inventory) TOTAL	208.85	893.60
Note 5		
Trade payables		
Trade payables	1,799.18	2,097.61
(Refer Note No. 3 c of Note 24)	1,77710	2,077.01
TOTAL	1,799.18	2,097.61
Note 6		
Other current liabilities		
Contracts in Progress	3,952.19	3,567.96
(Refer Note No. 3 f of Note 24)		
Customer Advances for Contracting Services	3,276.42	4,167.46
(Refer Note No.3 f of Note 24)		
Other Customer Advances	389.50	663.44
Other Liabilities	560.61	563.40
TOTAL	8,178.72	8,962.26
Note 7		
Short-term provisions		
Short Term Employee Benefits	295.79	234.16
TOTAL	295.79	234.16

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Notes to Financial Statements

Note 8 Fixed assets

Fixed assets Rs. in Lakh											
		GROSS	BLOCK]	DEPRECIATI	ON		NET B	LOCK
Particulars	Cost As On 1.4.2014	Additions During the Year-14-15	Deductions During The Year 14-15	Total Cost as on 31.03.2015	Upto 31.03.2014	Transfer to Reserve(*)	Deductions During the Year 14-15	Provisions During the Year 14-15 (*)	Total As On 31.03.2015	As on 31.03.2015	As on 31.03.2014
Tangible Assets											
Land - Leasehold	12.22	-	-	12.22	2.91	-	-	0.18	3.09	9.13	9.31
Building	304.19	-	-	304.19	137.69	-	-	10.16	147.85	156.34	166.50
Plant & Machinery	150.33	-	-	150.33	77.63	8.60	-	4.83	91.06	59.26	72.70
Electrical Installation	37.38	-	-	37.38	37.38	-	-	-	37.38	-	-
Office Equip, Computer	280.77	3.03	-	283.80	261.73	-	-	7.53	269.26	14.54	19.04
Vehicles	37.11	-	-	37.11	20.36	-	-	10.76	31.12	5.99	16.75
Total	822.00	3.03	-	825.03	537.70	8.60	-	33.46	579.75	245.25	284.30
Previous Year	805.57	16.42	-	822.00	494.21	-	-	43.49	537.70		
Capital Work in Progress for Current Year and Previous Year is Nil	-	-	-	-	-	-	-	-	-		

* Refer Note 24(3)(l) for amount transfer to Reserve provisions during the year.

	Rs in Lakh	Rs in Lakh
	As at	As at
	March	March
Particulars	31,2015	31,2014
Note 9		
Long-term loans and advances		
Unsecured, considered good		
Security Deposits	12.53	10.76
TOTAL	12.53	10.76
Note 10		
Other non-current assets		
Long Term Trade Receivables		
Unsecured Considered good	297.25	297.25
Fixed Deposit with more than 12 months maturity	-	0.25
Advance Payment of Income Tax, Wealth Tax and Fringe Benefit Tax	1,056.63	1,297.37
[Net of Provision for Taxes Rs 933.54 Lakh,		
(Previous Year Rs.722.80 Lakh)]		
Government Securities in Philippines	7.26	3.68
TOTAL	1,361.14	1,598.55
Note 11		
Deferred tax Asset / (Liability) (net)		
a) Deferred Tax Liabilities		
Others	12.64	13.60
b) Deferred Tax Assets		
Deferred tax Asset		
Deferred tax Asset / (Liability) (net) (b - a) TOTAL	(12.64)	(13.60)
Note 12		
Current Investments		
Non trade		
Investments in Mutual Funds	272.39	256.37
(Refer Note below)		
TOTAL	272.39	256.37

Note : Mar-15

Mai 15			
Name of Investment	Units	Cost	Market Value
	(in Lakh)	(Rs Lakh)	(Rs Lakh)
UTI - Floating Rate Fund-STP-Regular Plan-Daily Dividend Reinvestment - 518277970126	0.20	216.26	216.26
ICICI Prudential Liquid - Regular Plan - Daily Dividend - 1818683/07	0.56	56.13	56.13
TOTAL		272.39	272.39
Mar-14			
Name of Investment	Units	Cost	Market Value
	(in Lakh)	(Rs Lakh)	(Rs Lakh)
UTI - Floating Rate Fund-STP-Regular Plan-Daily Dividend Reinvestment - 518277970126	0.19	203.56	203.56
ICICI Prudential Liquid - Regular Plan - Daily Dividend - 1818683/07	0.53	52.81	52.81
TOTAL		256.37	256.37
		Rs in Lakh	Rs in Lakh
Particulars		As at March 31,2015	March
Note 13			
Trade Receivables			
Unsecured trade receivable outstanding f exceeding six months	for a period		
Considered good		2,166.14	2,158.54
Considered doubtful		201.98	116.25

(201.98)

2,590.96

4,757.10

(116.25)

3,063.52 5,222.06

33

Less : Provision for doubtful debts

TOTAL

Other trade receivable

Notes to Financial Statements

	Rs in Lakh As at March	Rs in Lakh As at March
Particulars	31,2015	31,2014
Note 14 Cash and cash equivalents		
Balances with banks		
Deposit with more than 12 months in maturity	-	0.25
Deposit others	0.27	536.09
Cash on hand	0.70	0.31
Balances in current accounts	869.13	1,291.58
	870.10	1,828.23
Less : Deposit with more than 12 months maturity disclosed under Other non-current assets (Refer Note No. 10)	-	0.25
TOTAL	870.10	1,827.98
Note 15		
Short-term loans and advances Unsecured, considered good Advances recoverable in cash or in kind or for value to be received		
Considered good	326.25	390.38
Considered doubtful Less : Provision for doubtful advances	1.55 (1.55)	1.55 (1.55)
Advances to Staff and Workers	52.08	51.95
TOTAL	378.33	442.33
Note 16		
Other current assets Contracts in Progress	981.87	1,383.64
(Refer Note No.3 f of Note 24)	901.07	1,585.04
Balance in Central Excise & Sales Tax	1,441.98	1,291.47
Advance Payment of Income Tax and Wealth Tax	1,300.22	1,039.83
[Net of Provision for Taxes Rs 30.05 Lakh, (Previous Year Rs.30.05 Lakh)]		
MAT Credit Entitlement	44.18	44.18
Gratuity (Refer Note No. 3 a of Note 24)	42.05	28.99
Other current assets TOTAL	450.98 4,261.28	<u>525.40</u> 4,313.51
IOIAL	4,201.20	4,515.51
	Rs in Lakh	Rs in Lakh
	Year Ended	Year Ended
	March 31, 2015	March 31, 2014
Note 17	2015	2014
Revenue from operations		
A. Sale of services		
(i) Domestic Contracting Services	7,416.45	14,889.21
Add : Closing Contracts in Progress	(2,970.32)	(2,184.32)
Less : Opening Contracts in Progress	(2,184.32)	(857.19)
	6,630.45	13,562.08
(ii) Domestic Other Services	219.26	162.80
(i) + (ii)	6,849.71	13,724.88
B. Revenue from Overseas operations:(i) Sales of Goods	146.98	-
(ii) Supervision Services	2,046.43	66.07
(iii) Other Services	586.66	292.62
(i) + (ii) + (iii)	2,780.06	358.69
C. Other operating revenues	50.05	152.00
Claims and Refunds	79.25	172.88
Sale of Scrap Miscellaneous Income	158.53	172.41 51.49
wiscenarious filconic	152.70 390.48	396.78
TOTAL $(A + B + C)$	10,020.25	14,480.35
	.,	

	Rs in Lakh Year Ended March 31,	Rs in Lakh Year Ended March 31,
Particulars	2015	2014
Note 18		
Other income		(a 10
Interest Income (Gross)	30.08	63.40
{Tax dedcuted at Source Rs. 2.81 Lakh (Previous year Rs. 6.28 Lakh)}		
Dividend Income		
Current Investment	16.02	23.23
Net gain on sale of investments -Current	-	0.47
Other non-operating income	47.97	15.35
Reversal of Provision for Doubtful Debts	83.12	212.40
Exchange Fluctuation Income (Net)	37.06	55.00
TOTAL	214.25	369.85
Note 19		
Cost of Material consumed		
Consumption of raw materials and components Opening Stocks		
Add: Purchases (Other than Trading purchases)	958.61	823.03
Add. I drenases (Other than Trading purchases)	958.61	823.03
Less: Closing Stocks		
TOTAL	958.61	823.03
Note 20		
Site Expenses and Contract Labour Charges		
Site Expenses and Contract Labour Charges	6,044.79	11,187.42
TOTAL	6,044.79	11,187.42
Note 21		
Employee Benefits Expense		
Salaries and wages	1,596.24	1,318.51
Contribution to provident and other funds	132.89	127.44
Gratuity (Refer Note no. 3 a of Note 24)	17.02	10.64
Staff welfare expenses	10.05	25.08
TOTAL	1,756.20	1,481.67
Note 22		
Finance Costs		
Interest expense	74.01	65.67
Interest expense - Others	4.59	1.92
TOTAL	78.60	67.59
Note 23 Other Expenses		
Consumption of stores and spare parts	8.89	-
Power and Fuel	21.20	78.43
Drawing, Design and Technical Service Charges	5.94	-
Insurance	59.16	178.15
Repairs and Maintenance:		
Others	9.16	10.97
Communication	7.74	12.33
Traveling and Conveyance	151.68	125.46
Other Selling and Distribution Expenses Bank Charges	3.48 9.40	2.85 11.72
Legal & Professional Charges	83.77	105.18
Printing and Stationery	11.99	14.31
Provision for Doubtful Debts/Customer Claims	168.21	74.77
Rates and Taxes	59.82	27.36
Miscellaneous Expenses (Refer Note No. 3 d of	24.52	8.03
Note 24) TOTAL	624.96	649.56
I GIAL	047.70	
Notes forming part of Accounts

Note 24 Notes to Financial Statements

1. Significant Accounting Policies

a) Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with generally accepted accounting principle in India. The Company has prepared these financial statements to comply in all material respect with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in preparation of financial statements are consistent with those of previous year.

b) Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

c) Fixed Assets and Depreciation

- (i) Tangible assets are stated at cost (net of refundable taxes or levies) and include any other attributable cost for bringing the assets to working condition for their intended use.
- (ii) Borrowing costs, if any, attributable to fixed assets, are capitalized.
- (iii) Depreciation on all fixed assets other than office equipments and Computers has been provided on the straight line method on the basis of useful life as prescribed by schedule II to the Companies Act, 2013. Refer Note No 24(3)(1)(i)

d) Asset Impairment

Impairment loss if any is recognized to the extent by which the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is determined on the basis of the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

e) Investments

Investments classified as long-term investments are carried at cost. Provision for diminution if any, is made to recognize a decline, other than temporary in nature, in the carrying amount of such long-term investments.

Investments classified as current investments are carried at lower of cost and fair value.

f) Employee Benefits

Short-Term Benefits

Leave Encashment

Liability on account of the company's obligation under the employee's leave policy is provided on actual basis in respect of leave earned but not availed based on the number of days of carry forward entitlement at each balance sheet date.

Medical and Leave Travel Assistance benefits

Liability on account of the company's obligation under the employee's medical reimbursement scheme and leave travel assistance is provided on actual basis.

Bonus & Employee's Short Term Incentive Plan

Liability on account of the company's obligation under statutory regulations, agreement with trade unions and employees' short-term incentive plan, as applicable, are charged to statement of profit and loss at the undiscounted amount of each liability.

Long-Term Benefits

Provident Fund

Liability on account of the company's obligation under the employee's provident fund, a defined contribution plan is charged to profit and loss account on the basis of actual liability calculated as a percentage of salary.

Superannuation Fund

Liability on account of the company's obligation under the employee's superannuation fund, a defined contribution plan is charged to profit and loss account on the basis of actual liability calculated as a percentage of salary.

Gratuity

- Liability on account of company's obligation under the employee gratuity plan, a defined benefit plan, is provided on the basis of actuarial valuation using projected unit credit method.
- Fair value of plan assets, being the fund balance on the balance sheet date with Life Insurance Corporation under group gratuity-cum-life assurance policy is recognized as asset.
- c. Current service cost, interest cost and actuarial gains and losses are charged to profit and loss Statement.
- Past service cost/effect of any curtailment or settlement is charged/ credited to the profit and loss statement, as applicable.

g) Provisions and Contingent Liabilities

Provisions in respect of present obligations arising out of past events (recognized in the manner required by AS 29) are made in the accounts when a reliable estimate can be made of the amount of the obligations. Contingent liabilities in respect of possible obligations arising from past events, if any, are disclosed by way of a note to the Balance Sheet.

Contingent liabilities are disclosed by way of note to the financial statements, after careful evaluation by the management of the facts and legal aspects of the matter involved.

h) Revenue Recognition

Revenue in respect of contracts of civil work, erection and commissioning of boilers, steam turbines and co-generation plants etc., execution of which is spread over different accounting periods, is recognized on the basis of percentage of completion method.

Stage of completion is determined by the proportion that contract costs incurred for work done till date bears to the estimated total contracts costs.

Difference between costs incurred plus recognized profits / less recognized losses and the amount of invoiced sale is disclosed as contract in progress.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the company, some of which are of a technical nature, concerning where relevant, the percentage of completion, costs to completion, the expected revenue from the contract and the foreseeable losses to completion.

Provision for expected Loss is recognized immediately when it is probable that the total estimated Contract Cost will exceed Total Contract Revenue.

Revenue in respect of services is recognized on 'as billed' basis.

Dividend from investments is recognized when the company's right to receive is established.

Interest income is recognized on time proportion basis.

THERMAX INSTRUMENTATION LIMITED

Notes to Financial Statements

i) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the respective dates of the transactions.

Exchange difference arising on settlement of transactions in foreign currencies is dealt with in the Profit & Loss Account.

Assets (other than fixed assets) and liabilities denominated in foreign currency are translated at the closing exchange rates.

Financial statements of a non-integral foreign operation are incorporated in financial statements of the company using following procedures:

- a) the assets and liabilities, both monetary and non-monetary are translated at the closing rate;
- b) income and expense items are translated at average exchange rate for the year; and
- c) All resulting exchange differences are accumulated in a foreign currency translation reserve.

j) Taxes on Income:

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the Company will pay normal tax on profits in future years.

MAT paid in the year is charged to Profit & Loss account as current tax. The company recognizes MAT credit available as an Asset, only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period. In the Year in which the Company recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of Profit & Loss and shown as MAT Credit Entitlement. The Company reviews the MAT Credit Entitlement Asset at each reporting date & writes down the Asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

2. Note on Net Worth:

The Net Worth of the Company as on 31st March 2015 is at Rs. 364.55 Lakh (Previous Year Rs. 20.39 Lakh). The Company is taking steps to revive the current financial position. Further, the Shareholders have approved the infusion of Rs. 500 Lakh by way of 1% Non-cumulative Redeemable Preference shares.

3. Disclosures under AS-15 (Revised)

a. Defined Benefit Plans for Employees (AS 15)

As per Actuarial valuation as on March 31, 2015 and recognized in financial statements in respect of Gratuity schemes:

Rs in Lakh

Sr. No.	Particulars	2014-15	2013-14
i	Components of Employer expense		
a	Current Service Cost	18.47	16.82
b	Interest Cost	4.99	4.33
c	Expected Return on Plan Assets	(8.92)	(6.85)
d	Actuarial (Gain)/Loss	2.48	(3.66)
e	Total expense recognised in the Profit and Loss Account	17.02	10.64
ii	Net Assets/(Liability) recognised in Balance Sheet as at 31st March		
а	Present Value of Obligation	82.39	68.55
b	Faire Value of Plan Assets	(125.41)	(97.54)
c	(Asset)/Liability recognised in the Balance Sheet	(43.02)	(28.99)
iii	Change in Gratuity Obligation during the year		
a	Present Value of Obligation as at 31st March	68.55	57.30
b	Current Service Cost	18.47	16.82
c	Interest Cost	4.99	4.33
d	Actuarial (Gain)/Loss	2.65	(3.53)
e	Benefit Paid	(12.27)	(6.38)
f	Present Value of Obligation as at 31st March	82.39	68.55
iv	Changes in the Fair Value of Plan Assets		
а	Present Value of Plan Assets as 31st March	97.54	73.83
b	Expected Return on Plan Assets	8.92	6.85
с	Actual Company Contribution	18.78	16.72
d	Benefits Paid	-	-
e	Actuarial Gain/(Loss)	0.17	0.13
f	Present Value of Plan Assets as at 31st March	125.41	97.54
v	Actual return on Plan Assets	9.09	6.99
vi	Assumptions		
а	Discount Rate	8% p.a.	8% p.a.
b	Expected Rate of Return	8% p.a.	8% p.a.
с	Employee Turnover	7%	7%
vii	Gratuity		
	Defined Benefit Obligation	82.39	68.55
	Plan Assets	125.41	97.54
	Surplus/(deficit)	43.02	28.99
	Experience adjustment on Plan Liabilities	2.65	(3.53)
	Experience adjustment on Plan Assets	0.17	0.13

Notes to Financial Statements

VIII. Amounts recognised in current year and previous four years

			ŀ	Rs in Lakh
Particulars	2014-15	2013-14	2012-13	2011-12
Gratuity				
Defined Benefit Obligation	82.39	68.55	56.34	61.48
Plan Asset	125.41	97.54	73.83	52.41
Surplus / (Deficit)	43.02	28.99	17.50	(9.07)
Experience adjustments in plan liabilities	2.65	(3.53)	(22.35)	3.98
Experience adjustments in plan assets	0.17	0.13	(0.59)	(0.48)

IX. Defined Contribution Plans amount recognized in the Statement of Profit and Loss

Particulars	2014-15	2013-14
Provident and other funds paid	132.89	127.44

Rs. in Lakh

X. Major Category of Plan Assets as a % of total Plan Assets

		Rs in Lakh
Particulars	2014-15	2013-14
Government Securities	100%	100%
(Central and state)		
Corporate Bonds	-	-
Equity Shares of Listed Companies	-	-
Fixed Deposits under special deposit	-	-

XI. The Company expect to contribute Rs. 17.02 Lakh to Gratuity in FY 2015-16.

b. Contingent liabilities not provided for

scheme of Central Government

Public Sector Unit Bonds

- Corporate Guarantees given to customers Nil (Previous Year : Nil)
- Bank Guarantees advance payments, performance and security deposits Rs.4,310.49 Lakh (Previous Year : Rs. 4,609.00 Lakh)
- Corporate undertaking to subcontractors for compensation for possible Cenvat/Service Tax liabilities – amount not determinable.
- Disputed demands in respect of Tamilnadu VAT Rs. 1.26 Lakh (Previous Year : Rs. 1.25 Lakh), West Bengal Sales Tax Rs 67.42 Lakh (Previous Year : Rs 64.51 Lakh), Andhra Pradesh VAT Rs 218.78 Lakh including penalty of Rs 109.39 Lakh (Previous Year : VAT Rs 218.78 Lakh including penalty of Rs 109.39 Lakh), Chhattisgarh: VAT Rs. 12.49 Lakh, (Previous Year: Nil).
- Disputed demand in respect of Service Tax Rs. 2,422.40 Lakh including interest of Rs.614.22 Lakh is under Appeal (Previous Year: Service Tax Rs 2,422.40 Lakh including interest of Rs. 614.22 Lakh).
- Disputed amounts in respect of Income Tax Rs 79.99 Lakh (Previous Year: Rs. 79.99 Lakh).

c. Micro Small & Medium Enterprises

Micro & Small scale enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 have been identified to the extent of information available with the company. This has been relied upon by the auditors.

						Rs. i	n Lakh
Sr.	Particulars	2014-15		2	013-14		
No.		Principal	Interest	Total	Principal	Interest	Total
a	Total outstanding dues to Micro Small and Medium enterprises	_	-	-	-	-	-
b	Principal amount and interest due thereon remaining unpaid as at end of the year	_	_	-	_	-	-
с	Amount of interest paid in terms of section 16 of MSMED Act alongwith the amount of the payment made to supplier beyond appointed day	6.29	0.03	6.32	13.44	0.61	14.05
d	Outstanding Interest (where principal amount has been paid off to the supplier but interest amount is outstanding as on March 31)	_	_	_		-	_
e	Total Interest outstanding as on March 31 (Interest in 'b' + interest in 'd' above)	_	-		-	-	-

d) Miscellaneous Expenses include

		Rs in Lakh
Particulars	2014-15	2013-14
i. Audit Fees	4.00	3.50
ii. Tax Audit Fees	0.80	0.80
iii. VAT Audit Fees	0.70	0.70

All figures are exclusive of service tax.

e) Earnings/(Expenditure) in foreign currency (on accrual basis)

		KS III LAKII
Particulars	2014-15	2013-14
Earnings		
Revenue from overseas operations	2,780.29	407.03
Foreign Travel Expenses	(64.48)	(17.01)
Expenses in foreign offices		
i. Revenue	(1,575.27)	(106.64)
ii. Capital	-	-

f) In respect of Contracts in progress

		Rs. in Lakh
Particular	2014-15	2013-14
a) Aggregate amount recognised as Contract Revenue (RR) for the Year	6,630.45	13,562.08
b) In respect of contracts in progress as on 31 st March :		
 (i) Aggregate amount of Costs incurred and recognised profits (less recognised losses) 	91,638.98	1,09,513.54
(ii) Amount of Customer Advances received (Unadjusted as on 31st March)	3,276.42	4,167.46
(iii) Amount of Retentions	622.18	496.65
c) Gross amount due from customers for contract work	981.87	1,383.64
d) Gross amount due to customers for contract work	3,952.19	3,567.96

THERMAX INSTRUMENTATION LIMITED

Notes to Financial Statements

g. Taxes on Income

Current Tax for the year includes 367.13 Lakh (Previous Year Rs. 51.87 Lakh) tax paid/payable in the Philippines Rs.236.40 Lakh (Previous Year Rs. 51.87 Lakh), Zambia Rs.122.67 Lakh (Previous Year Nil) and Sri Lanka Rs.8.06 Lakh (Previous Year Nil) in accordance with local tax laws, on income from operations of the branch in that country.

Tax expense includes Rs. Nil (previous year 647.49 Lakh) being provision made for incremental income tax liability arising upon conclusion of proceedings before the Income tax Settlement Commission.

- h. In cases where letters of confirmation have been received from parties, book balances have been generally reconciled and adjusted. In other cases, balances in accounts of sundry debtors, sundry creditors and advances or deposits have been taken as per books of account.
- i. Estimated amount of contracts remaining to be executed on capital account (net of capital advance) and not provided is Nil (Previous Year Nil)

j. Segment Reporting

Primary Segment

Based on the guiding principle given in the Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company is operating in a single business segment, viz Energy.

Secondary Segment

Secondary segments have been identified with reference to geographical location of external customers. Composition of secondary segments is as follows:

- India
- Outside India represents branch office started by the company in Philippines, Zambia and Sri Lanka.

		Rs in Lakh
Particulars	2014-15	2013-14
Revenue:		
India	7,240.19	14,121.66
Outside India	2,780.06	358.69
Total Revenue	10,020.25	14,480.35
Carrying amount of Segment Assets:		
India	7,823.20	10,059.36
Outside India	1,723.16	1,015.13
Addition to Fixed Assets:		
India	3.03	16.42
Outside India	-	-

k) Related Party Disclosures

Related party disclosures as required under Accounting Standard 18 issued by the Institute of Chartered Accountants of India are given below:

a) List of related parties and description of relationships: Parties where control exists:

RDA Holding & Trading Pvt. Ltd - Ultimate Holding Company

Thermax Limited - Holding Company

Fellow Subsidiary

Thermax Engineering Construction Company Limited (India)

Thermax Sustainable Energy Solutions Limited (India)(erstwhile Thermax Surface Coating Limited)

Thermax International Limited (Mauritius)

Thermax Senegal SARL - (Step down subsidiary of Thermax International Ltd., Mauritius). Thermax Hong Kong Limited (Hong Kong) Thermax Europe Limited (U.K.) Thermax Inc. (U.S.A.) Thermax (Zhejiang) Cooling and Heating Engineering Co. Limited (China) Thermax do Brasil Energia e Equipametos Ltda. (Brazil) Thermax Onsite Energy Solutions Limited (India) Thermax Netherlands B.V. (Netherlands) Thermax Denmark ApS (Denmark) Danstoker A/S (Denmark) Omnical Kessel- und Apparatebau GmbH (Germany) Ejendomsanpartsselskabet Industrivej Nord 13 (Netherlands) Rifox-Hans Richter GmbH(Germany) Thermax SBN. BHD. (Malaysia) Boilerworks A/S (Denmark) BoilerworksPropertiesApS (Denmark)

Thermax Engineering Singapore PteLtd

PT Thermax International Indonesia -(Step down subsidiary of Thermax Engineering Singapore Pte Ltd).

Fellow Joint Venture Subsidiary

Thermax Babcock & Wilcox Energy Solutions Pvt. Ltd.(India)

Thermax SPX Energy Technologies Limited (India)

b) Key Management Personnel

Mr. M. L. Bindra – Manager

Mr. Vedhanarayanan K.S. - Chief Financial Officer

Mr. Sudhir Lale - Company Secretary

c) Transactions with the Related Parties

	Rs in Lakh
Particulars	2014 - 15
Sales	
- Thermax Limited	4,283.43
	(3,320.13)
Rendering of services	
- Thermax Limited	200.55
	(162.80)
Receiving of services	
- Thermax Limited	115.20
	(43.70)
- Thermax SPX Energy Technologies Limited (India)	16.20
	-
- Thermax Eng Construction Company Ltd	3.51
	-
Reimbursement of Expenses claimed (Net)	
- Thermax Limited	419.17
	(466.73)
Advances received during the year (Net)	
- Thermax Limited	677.01
	(1,409.21)
A dynamous given during the year	(1,409.21)
Advances given during the year - Thermax Limited	
- Inermax Limited	-
The survey ODV Ensures Teachards size Line (1.47.17.)	(0.82)
- Thermax SPX Energy Technologies Limited (India)	-
	1.62
Creditors balances outstanding	(184.55)
- Thermax Limited	(154.52)
	(152.72)

Notes to Financial Statements

	Rs in Lakh
Particulars	2014 - 15
- Thermax SPX Energy Technologies Limited (India)	-
	(56.02)
Debtors balances outstanding	
- Thermax Limited	1,154.81
	(935.22)
Guarantees and Collaterals	
- Thermax Limited	4,310.49
	(4,609.00)

Previous years figures are in brackets.

 i) The management has carried out the estimation of the useful life of assets based on internal and external technical evaluation. Based on such evaluation, in respect of the following categories of fixed assets, useful life differs from that specified in the Schedule II to the Companies Act, 2013.

Asset (Category)	Useful life as per Schedule II of the Companies Act, 2013	Company's Estimate of useful life
Office equipments	15	5
Computer	3	4

ii) During the year, the Company has revisited useful lives of fixed assets. Based on such evaluation, depreciation amounting to Rs. 8.60 Lakh (Net of Deferred Tax Rs. 5.81 Lakh) has been adjusted against reserves in respect of assets which have already completed their useful lives before 1st April, 2014 and for other assets depreciation has been charged based on their remaining useful life. Had the company continued with the previously assessed useful lives, the charge for depreciation would have been lower by Rs.5.27 Lakh for the FY 2014-15.

m) Earning per Share (EPS)

Earnings per share calculated in accordance with Accounting Standard 20 issued by the Institute of Chartered Accountants of India

Particulars	2014-15	2013-14
Net profit available for shareholders (Rs. Lakh)	368.92	(160.12)
Weighted average number of Equity Shares of Rs.10 each	90,00,000	90,00,000
Face Value of Equity Share (Rs)	10	10
Basic earnings per share	4.10	(1.78)
Diluted earnings per share	4.10	(1.78)

n) Previous Year's figures have been regrouped wherever necessary to conform to this Year's classification.

Cash Flow Statement

Par	ticulars	Rs in Lakh Year ended March 31, 2015	Rs in Lakh Year ended March 31, 2014
А.	Cash Flow from Operating Activities		2011
	Profit before taxation	737.88	597.44
	Adjustment for :		
	Depreciation	33.46	43.49
	Profit on sale of investments (net)	-	(0.47)
	Provision for Doubtful Debts	168.21	74.77
	Interest Income	(30.08)	(63.40)
	Dividend Income	(16.02)	(23.23)
	Brokerage Income	(47.97)	(15.35)
	Interest Expenditure	74.01	65.67
	Foreign currency gain	(37.06)	(55.00)
	Operating profit before working capital changes	882.43	623.92
	Changes in Working Capital:		
	Increase / (Decrease) in current trade payables	(298.43)	(1,050.06)
	Increase / (Decrease) in short term provisions	61.63	(57.61)
	Increase / (Decrease) in other current liabilities	(783.54)	(903.42)
	Increase / (Decrease) in other long term liabilities	(436.81)	1,678.53
	(Increase) / Decrease in current trade receivables	296.75	(1,297.32)
	(Increase) / Decrease in loans & advances	64.00	657.04
	(Increase) / Decrease in other current assets	52.23	(382.68)
	(Increase) / Decrease in Non-current assets	252.65	114.70
	Cash Generated from Operations	90.91	(616.90)
	Taxes paid (net of refunds)	(365.30)	(449.97)
	Net Cash generated from operating activities	(274.39)	(1,066.87)
В.	Cash flow from Investing Activities		
	Purchase of tangible / intangible assets	(3.03)	(16.42)
	Purchase / (Sale) of long term investments	0.25	1,077.28
	Purchase of current investments	(16.02)	(2,370.61)
	Sale of current investments	-	2,134.20
	Interest Income	30.08	63.40
	Dividend Income	16.02	23.23
	Brokerage Income	47.97	15.35
C	Net cash from investing activities Cash flow from Financing Activities	75.27	926.43
C.	Short-term borrowings from Bank	(684.75)	893.60
	Interest paid	(74.01)	(65.67)
	Net Cash used from financing activities	(74.01)	827.93
	Net increase in Cash and Cash equivalents $(A + B + C)$	(957.88)	687.49
	Cash and Cash equivalents at the beginning of the year	1,827.98	1,140.49
	Cash and Cash equivalents at the end of the Year	870.10	1,827.98
	Cash and Cash equivalents comprise of :		
	Cash on Hand	0.70	0.31
	Cheques on Hand	-	-
	Balances with Banks	869.40	1,827.67
	Total	870.10	1,827.98

As per our report of even date

For B.K.Khare & Co.

Chartered Accountants Firm Registration No. 105102W

Prasad V. Paranjape Partner Membership No. 047296 M. L. Bindra Manager Vedhanarayanan K.S. Chief Financial Officer

B.C.Mahesh

Director

For and on behalf of the Board

Rs in Lakh

Amitabha Mukhopadhyay Director

Sudhir Lale Company Secretary

Pune: May 5, 2015

Pune: May 5, 2015

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Board of Directors

Ishrat Mirza Hemant Mohgaonkar Amitabha Mukhopadhyay M. S. Unnikrishnan Sundar Parthasarathy - Independent Director Sanjay Parande - Independent Director

Key Managerial Personnel

Sriram Vishwanathan (Chief Executive Officer) (Appointed on January 16, 2015) Ajit Sharma (Chief Financial Officer) (Appointed on January 16, 2015) Shrinidhi Deopujari (Company Secretary) (Appointed on January 16, 2015)

Registered Office

Thermax House, 14, Mumbai – Pune Road, Wakdewadi, Pune - 411003

Auditors

B. K. Khare & Co. Chartered Accountants Hotel Swaroop, 4th Floor, Lane No. 10, Prabhat Road, Pune 411004

Bankers

Corporation Bank ICICI Bank

DIRECTORS' REPORT

Dear Shareholder,

Your Directors have pleasure in presenting their Sixth Annual Report of the company for the year ended March 31, 2015.

FINANCIAL RESULTS		(Rs. lacs)
Particulars	2014-15	2013-2014
Total income	4147.02	1795.67
Profit before depreciation	644.99	391.34
Depreciation	483.60	99.16
Profit before tax	161.39	292.18
Provision for taxation (incl. deferred tax)	52.30	101.79
Profit after tax	109.09	190.39

PERFORMANCE

During the year, your company earned a total income of Rs. 4147.02 lacs as against Rs. 1795.67 lacs in the previous year. Profit before tax stood at Rs. 161.39 lacs (previous year, Rs. 292.18 lacs) and profit after tax was Rs. 109.09 lacs (previous year Rs. 190.39 lacs).

In the year steam generation was started at three new projects. Green steam using firewood as fuel was delivered for a world renowned thread manufacturer based in Tamil Nadu. Similarly green steam using agro-waste briquettes was delivered at a packaged foods manufacturing unit in Maharashtra and at a tobacco processing unit in Karnataka. These new plants were instrumental in the sharp jump in the annual revenues of your company. The company, during the financial year, has produced and supplied close to 175000 tons of steam and 8500 Mn Kcal of heat from the existing and new projects.

All the 3 plants have underwent their stabilization period and are now operating with high consistency and availability. The lower levels of efficiency, during the stabilization phase, resulted in higher oprating costs, thereby impacting the profitability for the year.

Your Company has amended its Depreciation policies and aligned them as per the recommendations under the Companies Act, 2013. This has also resulted in a drop in profitability with respect to previous years.

The sharp collapse of crude oil prices had an adverse impact on the company's market for green steam. While it is generally acknowledged that the crude oil prices will climb back shortly, your company has increased its focus on the high speed diesel and natural gas based fuel-shift market, which offers relatively attractive value proposition and on the greenfield/brownfield expansion market.

HEALTH & SAFETY

Safety and health at project sites are of paramount importance for your company and it strives for continuous improvement to establish a proactive safety culture at site. The objective is to implement the best safety practices and integrate the safety culture as a part of day to operations. With this mind your company has institutionalized a Safety Management Program which includes various safety interventions. A representative list would include but not be limited by Documented Standard Operating Procedures or SOPs in local language, job specific safety training, new inductee training, fire prevention, work permit system, machine safety assessment, visual management, log-out tag-out or LOTO, safety committees and audits. Your company is confident that these initiatives will inculcate the highest standards of behavioral safety at every site and help to achieve and surpass existing and future Safety benchmarks.

DIVIDEND

With a view to conserve funds for future expansion of the business, The Directors do not recommend any dividend for the year.

PUBLIC DEPOSITS

The company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpiad / unclaimed deposit(s) as on March 31, 2015.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review the company did not give any loan or made an investment pursuant to the provisions of Section 186 of the Companies Act, 2013. During the year, the company has utilized bank guarantee limits of the holding company, to the extent of Rs. 143 Lacs.

BUSINESS RISK MANAGEMENT

Your company is primarily into the business of captive utility generation and supply. As such it is vulnerable to risks related to captive capital investment, customer's market volatility, biomass fuel availability and price and debt servicing ability to name a few. The company has identified and classified its key risks pertaining to the core business and has a broad framework in place for effective risk identification, review and mitigation. The company will continue to actively monitor and strengthen its risk management framework.

The company has also installed a fully integrated computer system to track and monitor statutory compliances.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal controls are reviewed by Internal Audit Department of the holding company on a periodical basis. All significant and material observations emerging out of Internal Audit are regularly reported to the Audit Committee of the Board and follow-up measures are taken.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your company intends to constitute a policy on appointment and remuneration of Directors and Key Managerial Personnel during the current Financial Year.

KEY MANAGERIAL PERSONNEL

During the year under review the company has appointed following persons as Key Managerial Personnel:

Officer
Officer
ary
)

DIRECTORS

Sundar Parthasarathy has been inducted on the Board of your company as an Independent Director on March 31, 2015 for a period of three years commencing form March 31, 2015 to April 1, 2018. Sanjay Parande has been inducted on the Board of your company as an Independent Director on April 28, 2015 for a period of three years commencing form April 28, 2015 to April 29, 2018.

In accordance with the provisions of the Companies Act, 2013 and the company's Articles of Association, Ishrat Mirza retires by rotation and being eligible offers, himself for re-appointment as Director.

DECLARATION BY INDEPENDENT DIRECTORS

The company has received declarations from the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

BOARD MEETINGS

During the year Board met five times on April 25, 2014, July 14, 2014, October 17, 2014, January 16, 2015 and March 31, 2015. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES OF THE BOARD

The Board has constituted following committees viz. Audit Committee and Nomination and Remuneration Committee.

AUDIT COMMITTEE

The Committee met four times during the year on April 25, 2014, July 14, 2014, October 17, 2014 and January 16, 2015. Consequently upon the induction of the Independent Directors of the company, the Board has reconstituted the Audit

Committee on April 28, 2015. The Committee now comprises 3 (Three) members, all being Non-Executive Directors. Sanjay Parande (Chairman), Sundar Parthasarathy and Amitabha Mukhopadhyay. The terms of reference of the Audit Committee are as follows:

- Review recommendations for appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 3. Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the company with related parties;
- 5. Scrutiny of inter-corporate loans and investments;
- 6. Valuation of undertakings or assets of the company, wherever it is necessary;
- 7. Evaluation of internal financial controls and risk management systems;
- 8. Decide scope of internal audit;
- 9. investigate into / act on any matter as may be referred to it by the Board.

NOMINATION AND REMUNERATION COMMITTEE

In compliance with Section 178 of the Companies Act, 2013, the Board has constituted "Nomination and Remuneration Committee" on April 28, 2015. The Committee comprises three members, all being Non-Executive Directors. Sundar Parthasarathy (Chairman), Sanjay Parande and Hemant Mohgaonkar. The terms of reference of the Nomination and Remuneration Committee are as follows:

- Formulation of policies and process on appointment of Directors of the Company, Key Managerial Personnel (KMP), Senior Management officials and employees and recommend to the Board their appointment and removal.
- 2. Formulation of performance evaluation process of Senior Management, KMP and Directors.
- Formulation of Policy on determination of qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- 4. Review compensation trends across the industry.
- 5. Review human resource policies and processes.
- 6. Review the identified talent and their retention strategies.
- 7. Succession planning of Senior Management and employees.
- 8. Any other matter that may be referred by the Board from time to time.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the company at large.

Particulars of contracts & arrangements with Related Parties are appended in Form AOC 2 as "Annexure 1".

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92, of the Companies Act, 2013, is annexed herewith as "Annexure 2" and forms part of this report

CONSERVATION OF ENERGY

Your company is in the business of providing utilities generated through renewable energy sources to its clients. This activity directly helps its clients to reduce Carbon Foot print.

TECHNOLOGICAL ABSORPTION

There was no technology acquisition and absorption during the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pertaining to foreign exchange earnings and outgo, under Section 134 (3) (m) of the Companies Act, 2013 is set out in note no. 2 (e) of Note no. 25 to the Financial Statement.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the company and its future operations.

AUDITORS

M/s. B. K. Khare & Co., Chartered Accountants, retire as Statutory Auditors at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the support extended by the company's customers, vendors and bankers during the year and look forward to their continued support in the future as well.

For and on behalf of the Board of Directors of Thermax Onsite Energy Solutions Limited

Place: Pune	Amitabha Mukhopadhyay	Hemant Mohgaonkar
Date: April 28, 2015	Director	Director

Annexure 1

Form No. AOC-2

[(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

			(Amount in Rs. Lac)
Nature of Contracts / arrangements/ transactions	Name of the related party and nature	Duration of the contracts	Salient terms of the
	of relationship	/ arrangements /	contracts or transactions
	(Thermax Limited-Holding Company)	transactions	including the value, if any
Reimbursement of expenses incurred	Thermax Limited		13.03
Sales	Thermax Limited		49.57
Reimbursement of expenses incurred	Thermax Limited		239.45
Purchase of material / services	Thermax Limited	Various	443.09
Rent paid	Thermax Limited	Various	1.00
Guarantees issued	By Thermax Limited on behalf of the		143.00
	Company		
Managerial remuneration paid	Thermax Limited		50.34

For and on behalf of the Board of Directors of Thermax Onsite Energy Solutions Limited

Place: Pune Date: April 28, 2015 Amitabha Mukhopadhyay Director Hemant Mohgaonkar Director

ANNEXURE 2

FORMNO.MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

I.	CIN	:	U40109PN2009PLC134659
II.	Registration Date	:	14.09.2009
III.	Name of the Company	:	Thermax Onsite Energy Solutions Limited
IV.	Category / Sub-Category of the Company	:	Public Company / Limited by Shares
V.	Address of the Registered office and contact details	:	Thermax House, 14, Mumbai – Pune Road, Wakdewadi, Pune- 411003
VI.	Whether listed company	:	No
VII.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Steam and hot water supply	35301	87%
2	Other professional, scientific and technical activities	74909	13%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the company	CIN/GLN	Holding /Subsidiary/ Associates	% of Shares held	Applicable Section
1	Thermax Limited	L29299MH1980PLC022787	Holding	100	2(46)
	D-13, M.I.D.C. Industrial Area, R.D. Aga Road, Chinchwad, Pune - 411 019				

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Sha	No. of Shares held at the beginning of the year (As on 01-04-2014)				No. of Shares held at the end of the year (As on 31-03-2015)			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	year
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	6	6	0	-	6	6	0	0
b) Central Govnt(s)	-	-	-	-	-	-	-	-	-
c) State Govnt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	18649994	18649999	100	-	18649994	18649994	100	0
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other (Relative of Director)	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	-	18650000	18650000	100	-	18650000	18650000	100	0
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total share holding of Promoter (A)= (A)(1)+(A) (2)	-	18650000	18650000	100	-	18650000	18650000	100	0

Category of Shareholders	No. of Sh	No. of Shares held at the beginning of the year (As on 01-04-2014)			No. of Shares held at the end of the year (As on 31-03-2015)				% Change during the
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	year
B. Public Shareholding									
1. Institution									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Any other									
Sub-total(B)(1):-									
2. Non- Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals					NII				
 i) Individual shareholders holding nominal share capital upto Rs. 1 lakh 					1412				
ii) Individual shareholders holding nominal share capital in excess of Rs 11akh									
c) Others (specify)									
- Directors Relative									
- Trusts									
- Foreign Bodies Corporate									
- Foreign Bodies-DR									
- Non Resident Indian									
- HUF									
- Clearing Members									
Sub-total(B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C) Shares held by Custodian for GDRs & ADRs								1	
Grand Total (A+B+C)	-	18650000	18650000	100	-	18650000	18650000	100	0

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)			Shareholding at the end of the year (As on 31-03-2015)				
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year	
1	Thermax Limited	18649994	100	NIL	18649994	100	NIL	NIL	
2	Arnavaz Rohinton Aga jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL	

Sl No.	Shareholder's Name		Shareholding at the beginning of the year (As on 01-04-2014)			Shareholding at the end of the year (As on 31-03-2015)		
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year
3	Meher Pheroz Pudumjee jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL
4	Pheroz Nusly Pudumjee jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL
5	M. S. Unnikrishnan jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL
6	Ishrat Mirza jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL
7	Abhay Shah jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL
	TOTAL	18650000	100	NIL	18650000	100	NIL	NIL

iii) Change in Promoters' Shareholding: NIL

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)			he end of the year 1-03-2015)	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
	At the beginning of the year					
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NILNIL		(L		
	At the End of the year					

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):NIL

ſ	SI.	Name of the shareholder	Shareholding		Date	Increase / Decrease	Reason	Cumulative Share	eholding during
	No.					in shareholding		the year (01-04-	
								201	5)
			No. of shares at the beginning (01-04- 2014) / end of the year (31-03-2015)	% of total shares of the company				No. of shares	% of total shares of the company
ſ									

-----NIL-----

(V) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the shareholder	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Share the year (01-04- 201	2014 to 31-03-
		No. of shares at the beginning (01-04- 2014) / end of the year (31-03-2015)	% of total shares of the company				No. of shares	% of total shares of the company
1	M. S. Unnikrishnan jointly with Thermax Limited	1	0	-	-	-	1	0
2	Ishrat Hussain Mirza jointly with Thermax Limited	1	0	-	-	-	1	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding /accrued but not due for payment

Amount in Rs. Lacs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2014)				
i) Principal Amount	1400.00	0	0	1400.00
ii) Interest due but not paid	0	0	0	0

				Amount in Rs. Lacs
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
iii) Interest accrued but not due	1.32	0	0	1.32
Total (i+ii+iii)	1401.32	0	0	1401.32
Change in indebtedness during the financial year				
Addition	0	0	0	0
Reduction	0	0	0	
Net Change	0	0	0	0
Indebtedness at the end of the financial year (31.03.2015)				
i) Principal Amount	1400.00	0	0	1400.00
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0.88	0	0	0.88
Total (i+ii+iii)	1400.88	0	0	1400.88

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Total Amount
1	Gross salary	
	(a) Salary as per provisions contained insection 17(1) of the Income-tax Act, 1961	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	
	(c) Profits in lieu of salary undersection17(3)Income- taxAct,1961	
2	Stock Option	
3	Sweat Equity	NA
4	Commission - as % of profit - others, specify	
5	Others, please specify (Retrial Benefits)	
	Total(A)	
	Ceiling as per the Act	

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration		Name of Directors			
1.	Independent Directors	Sanjay Parande	Sundar Parthasarathy	-	-	
	Fee for attending board / committee meetings					
	Commission			NII		
	Others, please specify			NIL		
	Total(1)					
2.	Other Non-Executive Directors Directors	Amitabha Mukhopadhyay	Hemant Mohgaonkar	M. S. Unnikrishnan	Ishrat Mirza	

Fee for attending board /	
Committee meetings	
Commission	
Others, please specify	
Rent for Premises	
Security Deposit for Lease Premises	NIL
Total(2)	
Total(B)=(1+2)	
Total Managerial (A+B) Remuneration	
Over all Ceiling as per the Act	

C. Remuneration to key managerial personnel other than MD/Manager/Whole Time Director

				А	mount in Rs Lacs.		
SI. no.	Particulars of Remuneration	Key Managerial Personnel					
		Chief Executive Officer (Sriram Vishwanathan)	Company Secretary (Shrinidhi Deopujari)	Chief Financial Officer (Ajit Sharma)	Total		
1.	Gross salary						
	(a) Salary as per provisions contained in section17(1)of the Income-tax Act,1961	29.61	4.77	14.10	48.48		
	(b) Value of perquisites u/s 17(2)Income-taxAct,1961	1.18	0.01		1.19		
	(c) Profits in lieu of salary under section 17(3)Income-taxAct,1961	-	-	-	-		
2.	Stock Option	-	-	-	-		
3.	Sweat Equity	-	-	-	-		
4.	Commission	-	-	-	-		
	- as% of profit						
	- Others, specify						
5.	Others, please specify (Retrial Benefits)	-	-	-	-		
	Total	30.79	4.78	14.10	49.67		

VII. Penalties /Punishment/ compounding of offences:

Туре	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any (give Details)
a) Company					
Penalty					
Punishment					
Compounding					
b) Directors					
Penalty			NII		
Punishment			INIL		
Compounding					
c) Other Officers in Default					
Penalty					
Punishment					
Compounding					

Independent Auditor's Report

To the Members of Thermax Onsite Energy Solutions Limited

Report on the Standalone Financial Statements

 We have audited the accompanying financial statements of Thermax Onsite Energy Solutions Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statements of Profit and Loss and Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.
- 4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
- 5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.
- 6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
- We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

 In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 9. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 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 3 and 4 of the Order.
- 10. As required by Section 143(3) of the Act, we report that:
 - we have sought and 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 it 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;
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. On the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - The Company does not have any pending litigations which would impact its financial position
 - There are no material foreseeable losses on any long term contracts and the Company did not have any derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Place: Pune, Date: 28th April, 2015 Prasad V. Paranjape Partner Membership Number : 047296

ANNEXURE REFERRED TO PARAGRAPH 9 OF OUR REPORT OF EVEN DATE:

- 1 (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
- 2 (a) The Company is in the business of production and sale of steam. The Company does not have inventory of raw material, work in progress and finished goods. The inventory of fuel has been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of fuel inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of examination of records of fuel inventory, in our opinion, the Company is maintaining proper records of inventory and discrepancies were noticed on physical verification between the physical stocks and the book records have been properly dealt with in the books of account.
- 3 There are no companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii) of the Companies (Auditors Report) Order, 2015 are not applicable to the Company.
- 4 In our opinion and according to the information and explanations given to us, the Company is having an adequate internal control system commensurate with the size and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. On the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across, nor have we been informed of, any continuing failure to correct any major weaknesses in the aforesaid internal control system.
- 5 The Company has not accepted any deposits within the meaning of section 73 of the Act and rules framed there under.
- 6 The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

- 7 (a) According to the records of the Company and information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, Sales tax, Wealth tax and Service tax, duty of customs, duty of excise, Value added tax, cess and other applicable statutory dues with the appropriate authorities.
 - (b) According to the information and explanations given to us and records of the Company examined by us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of excise, duty of customs, value added tax, and cess which have not been deposited on account of dispute.
 - (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 8 The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
- 9 Based on the records examined by us and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the Balance Sheet date.
- 10 According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of clause 3(x) of the Companies (Auditors Report) Order, 2015 are not applicable to the Company.
- 11 In our opinion, and according to the information and explanations given to us, during the year, the term loans have been applied for the purposes for which they were obtained.
- 12 During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instant of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such case by the Management.

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

Place: Pune Date: 28th April, 2015 Prasad V. Paranjape Partner Membership No.: 047296

Balance Sheet as at March 31, 2015

Pa	ticulars	Note No	Rs Lacs As at March 31, 2015	Rs Lacs As at March 31, 2014
I.	EQUITY AND LIABILITIES			
	1. Shareholders' funds			
	a. Share capital	1	1,865.00	1,865.00
	b. Reserves and surplus	2	593.78	484.69
			2,458.78	2,349.69
	2. Non-current liabilities			
	a. Long-term borrowings	3	1,120.00	1,400.00
	b. Deferred tax liabilities (Net)	4	247.99	195.68
	c. Other Long-term liabilities	5	405.50	606.00
	d. Long-term provisions	6	200.75	89.55
			1,974.24	2,291.24
	3. Current liabilities			
	a. Short-term borrowings	7	280.00	-
	 b. Trade payables 	8	338.65	353.40
	c. Other current liabilities	9	58.59	25.07
	d. Short-term provisions	10	23.25	35.13
			700.49	413.60
	TOTAL		5,133.50	5,054.53
п	ASSETS 1. Non-current assets			
	a. Fixed assets	11		
	i. Tangible assets		3,531.83	628.70
	ii. Intangible assets		0.64	1.11
	iii. Capital work-in-progress		405.85	3,208.53
	iv. Intangible assets under development		-	-
	v. Asset held for sale/disposal		20.81	72.12
	b. Long-term loans and advances	12	-	0.33
	c. Other non-current assets	13	148.12	91.52
			4,107.26	4,002.32
	2. Current assets			
	a. Inventories	14	106.52	43.68
	b. Trade receivables	15	290.16	104.14
	c. Cash and cash equivalents	16	433.73	766.35
	d. Short-term loans and advances	17	112.76	82.89
	e. Other current assets	18	83.08	55.15
			1,026.24	1,052.22
	TOTAL		5,133.50	5,054.53
No	tes to the financial statements	25		
Thé	accompanying notes are an integra	l part of the	financial statement	ts

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For B. K. Khare & Co. Chartered Accountants Firm Registration No. 105102	Amitabha Mukhopadhyay Director W	Sanjay Parande Director	For B. K. Khare & Co. Chartered Accountants Firm Registration No. 105102V	Amitabha Mukhopadhyay Director	Sanjay Parande Director
Prasad V. Paranjape Partner Membership No. 047296	Sriram Vishwanathan Chief Executive Officer	Ajit Sharma Chief Financial Officer	Prasad V. Paranjape Partner Membership No. 047296	Sriram Vishwanathan Chief Executive Officer	Ajit Sharma Chief Financial Officer
Place : Pune Date : 28th April, 2015	Place : Pune Date : 28th April, 2015	Shrinidhi Deopujari Company Secretary	Place : Pune Date : 28th April, 2015	Place : Pune Date : 28th April, 2015	Shrinidhi Deopujari Company Secretary

Profit and loss statement for the year ended March 31, 2015

			Rs Lacs	Rs Lacs
Parti	culars	Note No	Year ended	Year ended
			March 31,	March 31,
T		10	2015	2014
I	Revenues from operations	19	4,108.37	1,765.43
п	Other income	20	38.65	30.24
ш	Total Revenue (I+II)		4,147.02	1,795.67
IV	Expenses :			
	Cost of materials consumed	21	2,369.78	773.85
	Employee benefits	22	305.04	248.88
	Depreciation and amortisation	11	483.60	99.16
	Finance Costs	23	171.62	1.32
	Other expenses	24	655.60	380.27
	Total Expenses		3,985.63	1,503.49
V	Profit before exceptional and		161.39	292.18
	extraordinary items and tax (III-IV)			
VI	Exceptional items		-	-
VII	Profit before extraordinary items			
	and tax (V - VI)		161.39	292.18
VIII	Extraordinary Items			-
IX	Profit before tax (VII - VIII)		161.39	292.18
Х	Tax expense:			
	1. Current tax (MAT)		(56.60)	(67.70)
	2. MAT Credit entitlement		56.60	9.06
	3. Deferred tax		(52.30)	(43.15)
XI	Profit / (loss) for the period from continuing operations (IX - X)		109.09	190.39
XII	Profit / (loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit / (loss) from Discontinuing operations (after tax) (XII - XIII)		-	-
XV	Profit / (Loss) for the period (XI + XIV)	:	109.09	190.39
XVI	Earning per equity share: (Refer Note No. 2 (i) of Note 25)			
	1. Basic & Diluted		0.58	1.33
	2. Face Value per Share (Rs.)		10.00	10.00
Notes	to the financial statements	25		
	ccompanying notes are an integral	part of the f	inancial statement	ts

The accompanying notes are an integral part of the financial statements.

As per our report of even date

Shrinidhi Deopujari Company Secretary

Notes to Financial Statements

Particulars			Reference to note no	Rs Lacs As at March 31, 2015	Rs Lacs As at March 31, 2014
Note 1					
Share capita Authorised		(D	2 00 00 000)	2 000 00	2 000 00
Autnorised		(Previous Year : es of 10/- each	2,00,00,000)	2,000.00	2,000.00
Issued, subs					
		(Previous Year : es of 10/- each	1,86,50,000)	1,865.00	1,865.00
			TOTAL	1,865.00	1,865.00
a) Reconciliat	tion of the sh	ares at the begin	ning and at th	e end of the rep	orting period.
Equity Shares March-2015 March-2014					-2014
		Nos	Rs Lacs	Nos	Rs Lacs
At the beginn period	ing of the	1,86,50,000	1,865.00	81,50,000	815.00
Issued during	, the period	-	-	1,05,00,000	1,050.00
Outstanding a of the period	at the end	1,86,50,000	1,865.00	1,86,50,000	1,865.00
b) Term/rights	attached to	equity shares			
per share. I whenever p	Each holder proposed by t	one class of eco of equity shares he Board of Dire ung Annual Gen	is entitled to vectors shall be	vote per share.	The dividend
entitled to preferential	receive ren	tion of the Com naining assets of the distribution we sholders.	of the Compa	iny, after distr	ibution of all
		ultimate holding c es are held by its l			
	Share holdin with nomin	g more than 5% ees.	shares in the	e Company alo	ngwith shares
				March 31,	March 31,
				2015	2014
1 5		ach fully paid- u	р		
Thermax Lin	nited			100%	100%
Note 2					
Reserves and	d Surplus				
Surplus / (det	ficit) in the s	tatement of Profi	it & Loss		
As per las	t financial st	atement		484.69	294.30
Profit and	loss for the	year		109.09	190.39
Proposed	Equity Divid	lend		-	-

Proposed Equity Dividend	-	-
Tax on Dividend	-	-
Transfer to General Reserve	-	-
Net surplus in the statement of Profit & Loss	593.78	484.69
TOTAL	593.78	484.69
Note 3		
Long-term Borrowings		
Converd Long Torm Domovings		

TOTAL		1,120.00	1,400.00
Term loans from other parties	25.2(a)	1,120.00	1,400.00
Secured Long Term Borrowings :			

Particulars	Reference to note no	Rs Lacs As at March 31, 2015	Rs Lacs As at March 31, 2014
Note 4			
Deferred tax liabilities (net)			
Deferred Tax Liabilities			
Depreciation		(423.60)	(227.35)
		(423.60)	(227.35)
Deferred Tax Assets	25.2(d)		
Provision for Maintenance		65.13	29.06
Expenses towards issuance of Shares	s	2.09	2.61
Provision for Doubtful Debts		3.27	-
Unabsorbed Depreciation		105.12	
		175.61	31.67
TOTAL		(247.99)	(195.68)
Note 5			
Other Long-term liabilities			
Trade Deposits		405.50	606.00
Others		-	-
TOTAL		405.50	606.00
IOTAL			
Note 6			
Long-term provisions			
Provision for Maintenance		200.75	89.55
TOTAL		200.75	89.55
Note 7			
Short-term borrowings			
Secured Short Term Borrowings : Term loans from other parties	25.2(a)	280.00	-
TOTAL		280.00	
Note 8			
Trade payables			
Trade payables to related party	25.2 (h)	183.21	294.38
Trade payables - others	25.2(b)	155.44	59.02
TOTAL		338.65	353.40
Note 9			
Other current liabilities			
Other Liabilities (Includes Statutory taxes, Provision for and others)	Expenses	58.59	25.07
TOTAL		58.59	25.07
Note 10			
Note 10			
Short-term provisions		22.25	25.12
Short Term Employee Benefits		23.25	35.13
TOTAL		23.25	35.13

Notes to Financial Statements

Note 11

Fixed assets

Fixed assets										Rs. Lac	
Particulars		GROSS	S BLOCK			DEPREC	IATION		NET B	NET BLOCK	
	Cost As On 01.04.2014	Additions during Apr - Mar 15	Deductions during Apr - Mar 15	Total Cost as on 31.03.2015	Upto 31st March 2014	Deductions during Apr - Mar 15	Provision during Apr - Mar 15	Total As On 31.03.2015	As on 31st March 2015	As on 31st March 2014	
Tangible Assets											
Plant & Machinery * (Refer Note No 1 & 2)	727.75	2,862.84	-	3,590.59	116.62	-	428.28	544.89	3,045.70	611.13	
Site Infrastructure	-	517.73	-	517.73	-	-	51.20	51.20	466.53	-	
Lab Equipments	7.53	8.85	-	16.38	0.41	-	1.59	2.00	14.38	7.12	
Office Equip, Computer	17.75	3.24	7.13	13.86	7.31	0.73	2.06	8.64	5.22	10.45	
Total -Tangible Assets	753.03	3,392.66	7.13	4,138.56	124.33	0.73	483.13	606.73	3,531.83	628.70	
Previous Year (Mar-14)	944.51	74.77	266.25	753.03	112.84	87.38	98.87	124.33	628.70	831.67	
Capital Work in Progress									405.85	3,208.53	
Intangible Assets											
Software	1.40	-	-	1.40	0.29		0.47	0.76	0.64	1.11	
Total -Intangible Assets	1.40	-	-	1.40	0.29	-	0.47	0.76	0.64	1.11	
Previous Year (Mar-14)	-	1.40	-	1.40	-	-	0.29	0.29	1.11	-	
Capital Work in Progress									-	-	
Grand Total	754.43	3,392.66	7.13	4,139.96	124.62	0.73	483.60	607.49	3,532.48	629.81	
Previous Year (Mar-14)	944.51	76.17	266.25	754.43	112.84	87.38	99.16	124.62	629.81	831.67	
Capital Work in Progress									405.85	3,208.53	

*Note : 1) Machineries are lying at various Project

2) Expenses on fuel incurred during the trial runs have been capitalised Rs. 8.02 Lacs (Previous year : Nil)

		Rs Lacs As at	Rs Lacs As at
	Reference to	March 31,	March 31,
Particulars	note no	2015	2014
Note 12			
Long-term loans and advances			
Unsecured, considered good			
Loans and advances to related partie	S.	-	-
Other loans and advances			0.33
TOTAL		:	0.33
Note 13			
Other non-current assets			
MAT credit entitlement		148.12	91.52
TOTAL		148.12	91.52
Note 14			
Inventories			
Fuel Stock at Site			
(At lower of Cost or Net Realisable	Value)	106.52	43.68
(including Goods in Transit			
Rs. 33.89 Lacs Previous Year : Nil)			
TOTAL		106.52	43.68
Note 15			
Trade Receivables			
Unsecured trade receivable outstand exceeding six month	ing for a period	-	-
Considered doubtful		10.07	-
Less : Provision for doubtful debts		(10.07)	-
Other trade receivable			
Others		282.86	100.87
From related party	25.2(h)	7.30	3.27
TOTAL		290.16	104.14
Note 16			
Cash and cash equivalents			
Balances with banks			
Fixed Deposits maturing within 3		350.00	75.00
Deposit as Margin Money for Gu	arantee	-	0.50
Balances in current accounts		83.73	690.85
TOTAL		433.73	766.35

			Rs Lacs	Rs Lacs
			As at	As at
р	-	Reference to	March 31, 2015	March 31,
	ticulars e 17	note no	2015	2014
	rt-term loans and advances			
	ecured, considered good		00.05	(0.04
	ances recoverable in cash or in e received	kind or for value	99.95	69.04
Seci	urity Deposits		0.61	0.56
	ances to Staff and Workers		-	0.30
Loa	ns and advances to related partie	es 25.2(h)	12.20	12.99
	TOTAL	()	112.76	82.89
	e 18			
	er current assets			
	ance in Central Excise & Custo		41.21	52.84
	ance Payment of Income Tax		39.50	1.92
· ·	t of provision Rs. 241.90 Lacs (Previous Year :		
	.30 Lacs) ers -Interest recoverable on Fix		2.27	0.20
Oth	TOTAL	ted Deposits	2.37 83.08	0.39
	IOIAL			
			Rs Lacs	Rs Lacs
			Year ended	Year ended
		Reference to	March 31,	March 31,
	ticulars	note no	2015	2014
	e 19			
	enue from operations			
А.	Sales of products Domestic		2 515 52	1 240 02
B	Sale of services		3,515.52 523.87	1,240.03 489.58
ь. С.	Other operating revenues		523.07	469.36
C.	Exchange Difference In	come	0.01	13.50
	Provision for Doubtful I		0.01	-
	Royalty Income	Jeot Wilden buek	33.08	14.48
	Excess Provision written	n-back	32.31	7.56
	Other miscellaneous inc	ome	3.58	0.29
			68.98	35.83
D.	Less: Excise duty			
	TOTAL		4,108.37	1,765.43

Referen Particulars note 1		Rs Lacs Year ended March 31, 2015	Rs Lacs Year ended March 31, 2014
Note 20	10	2010	2011
Other income			
Interest Income		38.65	30.24
TOTAL		38.65	30.24
TOTAL			
Note 21 Cost of Fuel consumed Consumption of Fuel			
Opening Stocks of Fuel		43.68	58.37
Add: Purchases (Other than Trading pur	ahagag)	2,432.62	759.16
Add. Furchases (Other than Trading pur	chases)	2,476.30	817.53
Less: Closing Stocks of Fuel		106.52	43.68
TOTAL		2,369.78	773.85
IOIAL		2,309.78	113.83
Note 22			
Employee Benefits Expense			
Salaries and wages		294.55	240.85
Contribution to provident and other funds	5	10.49	8.03
Staff welfare expenses		-	-
TOTAL		305.04	248.88
Note 23			
Finance Costs			
Interest on Secured Loan		160.56	1.32
Interest - others		11.06	
TOTAL		171.62	1.32
Note 24			
Other Expenses			
Site Expenses and Contract Labour Charge	ges	371.02	168.27
Rent		1.12	0.12
Insurance		7.64	3.56
Repairs and Maintenance:			
Building		-	-
Plant and Machinery		-	-
Others		2.05	1.04
Communication		3.93	2.48
Traveling and Conveyance		22.77	22.46
Other Selling and Distribution Expenses		1.64	0.35
Bank Charges		0.56	1.16
Legal & Professional Charges	25.2(c)	16.67	22.85
Printing and Stationery		1.68	0.74
Recruitment Expenses		1.91	1.50
Net gain or loss on foreign currency trans	action	-	6.99
Provision for Doubtful Debts		10.07	-
Provision for Maintenance		154.86	45.44
Loss on sale of assets		18.72	-
Loss on Asset discarded		-	103.17
Service Tax not recoverable		33.11	-
Liquidated Damages/Penalties		5.45	-
Miscellaneous Expenses TOTAL		2.40	0.16
IUIAL		655.60	380.27

Note 25

1. Significant Accounting Policies

Basis of Preparation of Financial Statements

a) The financial statements of the Company have been prepared in accordance with generally accepted accounting principle in India. The Company has prepared these financial statements to comply in all material respect with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in preparation of financial statements are consistent with those of previous year.

b) Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

c) Fixed Assets & Depreciation

- Tangible assets are stated at cost (net of refundable taxes or levies) and include any other attributable cost for bringing the assets to working condition for their intended use.
- Assets held for disposal are stated at lower of WDV or Net realizable Value.
- Depreciation on all fixed assets other than office equipments has been provided on the straight line method on the basis of useful life as prescribed by Schedule II to the Companies Act, 2013. Refer Note No 25(2)(j)
- d) Asset Impairment

Provision for impairment loss, if any, is recognized to the extent by which the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is determined on the basis of the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

f) Provision for Maintenance

The Company is providing for maintenance of its assets lying at various project sites. Such provision has been shown as long-term provisions due to the fact that it shall be as contractual obligation of the Company for keeping its assets all time working throughout its project life.

g) Provisions and Contingent Liabilities

Provisions in respect of present obligations arising out of past events (recognized in the manner required by AS 29) are made in the accounts when a reliable estimate can be made of the amount of the obligations. Contingent liabilities in respect of possible obligations arising from past events are disclosed by way of a note to the Balance Sheet.

Contingent liabilities are disclosed by way of note to the financial statements, after careful evaluation by the management of the facts and legal aspects of the matter involved.

Notes to Financial Statements

h) Revenue recognition

All income and expenses are accounted on the accrual basis and provision is made for all known losses and liabilities.

Revenue from sale of goods (steam / heat) is recognized on delivery of thereof to customer.

Interest is accounted on time proportion basis.

Royalty income is accounted on accrual basis.

i) Cost of Fuel and Fuel stock valuation

Cost of fuel and fuel stock valuation is arrived at on the basis of weighted average cost.

- j) Foreign Currency Transactions
 - Transactions in foreign currencies are recorded at the exchange rates prevailing on the respective dates of the transactions.
 - Exchange difference on settlement of transactions in foreign currencies is recognized in the profit & loss account.
 - iii. Foreign currency monetary items are translated at the closing exchange rates and the resulting exchange difference is recognized in the profit & loss account.
- k) Taxes on Income

Current tax is provided on the basis of estimated tax liability (including MAT, where applicable), computed as per applicable provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of Profit & Loss account as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Company recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of Profit & Loss and shown as MAT credit Entitlement.

The Company reviews the 'MAT Credit Entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using tax rates enacted or substantively enacted as at the Balance Sheet date. Deferred tax assets are not recognized unless, in the management judgment, there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of Deferred Tax is reviewed at each Balance sheet date.

- 1) Borrowing Costs
 - Borrowing costs attributable to the acquisition of tangible fixed assets are capitalized till the date of substantial date of completion of activities necessary to prepare the relevant asset for its intended use.
 - ii. Borrowing costs attributable to the acquisition or development of intangible assets are capitalized till the date they are put to use.
- m) Preliminary Expenses

Expenses relating to formation of the company are charged to Profit and Loss account as and when incurred.

2. Notes to Accounts

a) Long Term and Short Term Borrowings

During the previous year, term loan facility was obtained from Tata Capital Financial Services Ltd of Rs. 4000 Lacs. Rate of interest is floating.

Out of the above Company has drawn down Rs. 1400 Lacs in the previous year. Interest on the outstanding balance has been charged off during the year.

The repayment term of the loan is scheduled on monthly basis starting from 29th April 2015, over a period of five years.

The loan is secured by First Charge on Plant & Machinery and Escrow of cash flow for the specific project for which such facility is availed.

b) Micro, Small & Medium Enterprises

The company has not received any intimation, from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year-end together with interest paid/ payable as required under the said Act have not been given.

Rs. Lacs

S.	Particular		2014-15			2013-14	
No.		Principal	Interest	Total	Principal	Interest	Total
A	Total outstanding dues to micro small and Medium enterprises	Nil	Nil	Nil	Nil	Nil	Nil
В	Principal amount and interest due thereon remaining unpaid as at end of the year	Nil	Nil	Nil	Nil	Nil	Nil
С	Amount of interest paid in terms of section 16 of MSMED Act alongwith the amount of the payment made to supplier beyond appointed day	Nil	Nil	Nil	Nil	Nil	Nil
D	Outstanding Interest (where principal amount has been paid off to the supplier but interest amount is outstanding as on March 31)	Nil	Nil	Nil	Nil	Nil	Nil
Е	Total Interest outstanding as on March 31 (Interest in 'b' + interest in 'd' above)	Nil	Nil	Nil	Nil	Nil	Nil

c) Legal and Professional Fees include:

Particulars	Year ended	Year ended
	31st March	31st March
	2015	2014
	Rs Lacs	Rs Lacs
i. Audit Fees	2.25	1.50
ii. Tax Audit Fees	0.75	0.50

All figures are exclusive of service tax.

d) The Company has recognized deferred tax assets on account of unabsorbed depreciation; since the management believes that the reversal of timing difference on account of depreciation would result in sufficient future taxable income against which the said deferred tax assets can be realized.

Notes to Financial Statements

e) Additional Information under Part II of the revised Schedule VI to the Companies Act, 2013

Earnings / (Expenditure) in Foreign Currency (on accrual basis)

Particulars	March – 15	March -14
	(Rs. Lacs)	(Rs. Lacs)
Sale of Steam to SEZ unit	Nil	556.70
Foreign Travel Expenses	(1.00)	Nil
Purchase of Material	(0.40)	Nil

- f) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 690.90 Lacs (Previous Year : Rs. 450.04 Lacs)
- g) Segment Reporting:

Primary Segment

Based on the guiding principle given in the Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the company is operating in a single business segment viz. Energy.

Secondary Segment

The Company caters mainly to the needs of Indian markets; hence there are no reportable geographical segments.

h) Related party Disclosures

Related party disclosures as required under Accounting Standard 18 issued by the Institute of Chartered Accountants of India are given below:

a. Name of related parties & description of relationship

Sr. No	Relationship	Name of Related Parties
1	Holding Company	Thermax Limited (TL)
2	Ultimate Holding Company	RDA Holdings Pvt. Ltd. (RDA)
3	Subsidiaries	-
4	Subsidiaries and Joint venture Companies of Holding Company	Thermax Sustainable Energy Solutions Ltd., (TSESL) Thermax Engineering Construction Company Ltd., (TECCL)
		Thermax Instrumentation Ltd., (TIL)
		Thermax Europe Ltd., (TEL)
		Thermax International Ltd.,
		Thermax Inc.,
		Thermax Hong Kong Ltd.,
		Thermax do Brasil Energia e Equipamentos Ltda.,
		Thermax (Zhejiang) Cooling & Heating Engineering Co.Ltd.
		Thermax SPX Energy Technologies Ltd.
		Thermax Babcock & Wilcox Energy Solutions Pvt Ltd
		Thermax Denmark ApS
		Thermax Netherlands B.V.

Sr. No	Relationship	Name of Related Parties	
		Danstoker A/S	
		Omnical Kessel- und Apparatebau GmbH	
		Ejendomsanpartsselskabet Industrivej Nord 13	
		Rifox-Hans Richter GmbH	
		Thermax SBN. BHD	
		Boilerworks A/S, (Denmark)	
		Boilerworks Properties ApS, Denmark	
		Thermax Engineering Singapore Pte Ltd	
		PT Thermax International Indonesia -(Step down subsidiary of Thermax Engineering Singapore Pte Ltd.)	
		Thermax Senegal SARL -(Step down subsidiary of	
		Thermax International Ltd., Mauritius)	
5	Key Management Personnel	Mr. Sriram Vishwanathan - Chief Executive officer (CEO)	

b) Transactions with the Related parties

Sr.	Particulars	2014-15	2013-14
No.		Rs. Lacs	Rs. Lacs
1	Reimbursement of expenses		
	incurred for		
	(TL)	13.03	10.24
2	Sales made to (TL)	49.57	24.28
3	Reimbursement of expenses	239.45	187.21
	incurred by (TL)		
4	Rent paid (TL)	1.00	-
5	Purchases		
	Spares and consumables (TL)	9.77	2.39
	Capital Equipments (TL)	433.32	2,939.95
	Capital Equipments (TSESL)	-	0.07
6	Outstanding Balances as at 31st		
	March 2015		
	Payables - (TL)	183.21	294.38
	Receivables - (TL)	7.30	3.27
	Advances for capital purchases	12.20	12.99
	- (TL)		
7	Equity infusion by (TL)	-	1050.00
8	Bank Guarantees issued by (TL)	143.00	143.00
	on behalf		
9	Managerial Remuneration (TL)	50.34	46.61

Cash Flow Statement

i) Earning per Share (EPS)

The earning per share for the period computed as per the requirement under Accounting standard -20 "Earning Per Share" issued by the Institute of Chartered Accountants of India, as under:

Particulars	As at 31st March 2015	As at 31st March 2014
Net profit/ (Loss) as per Profit & Loss Account (in Rupees Lacs)	109.09	190.39
Weighted Average Number of Equity Shares (Face Value Rs.10 each)	1,86,50,000	14,341,431
Face Value of Equity Shares (in Rupees)	10	10
Basic earning per share (in Rupees)	0.58	1.33
Diluted earning per share (in Rupees)	0.58	1.33

j) a. The management has carried out the estimation of the useful life of assets based on internal and external technical evaluation. Based on such evaluation, in respect of the following categories of fixed assets, useful life differes from that specified in the Schedule II to the Companies Act 2013.

Asset (Category)	Useful life as per Schedule II of the Companies Act 2013	Company's Estimate of useful life	
Office equipments	15	5	
Computer	4	3	

- b. During the year, the Company has revisited useful lives of fixed assets. Based on such evaluation, depreciation has been charged based on their remaining useful life. Had the company continued with the previously assessed useful lives, the charge for depreciation would have been lower by Rs.98.38 Lacs for the FY 2014-15.
- Previous Year's figures have been regrouped wherever necessary to conform to this Year's classification.

		Year ended	Year ended
Par	ticulars	March 31,	March 31,
1 41	ticular s	2015	2014
A.	Cash Flow from Operating Activities	2015	2014
	Profit before taxation	161.39	292.18
	Adjustment for :	101107	2)2:10
	Depreciation	483.60	99.16
	Loss on Asset sold	18.72	-
	Loss on Asset discarded	-	103.17
	Provision for Maintenance	154.86	45.44
	Interest income	(38.65)	(30.24)
	Interest Expenditure	171.62	1.32
	Provision for doubtful debts	(10.07)	1.52
	Operating profit before working capital changes	941.47	511.04
	Changes in Working Capital:		511.04
		(14.75)	201.24
	Increase / (Decrease) in trade payables Increase / (Decrease) in provisions	(14.75)	291.34
		(11.88)	9.02
	Increase / (Decrease) in other current liabilities	33.52	13.73
	Increase / (Decrease) in other long term liabilities	(191.86)	186.25
	Increase / (Decrease) in trade receivables	(175.95)	37.90
	Increase / (Decrease) in inventories	(62.84)	14.69
	Increase / (Decrease) in loans & advances	(29.86)	(19.31)
	Increase / (Decrease) in other current assets	(27.93)	(26.83)
	Increase / (Decrease) in other non-current assets	(56.27)	134.38
	Cash Generated from Operations	403.64	1,152.21
	Taxes paid (net of refunds)	(52.30)	(101.79)
	Net Cash generated from operating	351.34	1,050.42
	activities		
B.	Cash flow from Investing Activities		
	Purchase of tangible / intangible assets	(589.98)	(3,233.99)
	Sale of assets	38.99	3.58
	Margin Money received back	0.50	-
	Interest received	38.65	30.62
	Net cash from investing activities	(511.84)	(3,199.79)
C.	Cash flow from Financing Activities	· · · · ·	<u>`````````````````````````````````</u>
	Interest paid	(171.62)	(1.32)
	Proceeds from Long Term Borrowings	-	1,400.00
	Proceeds from share allotment	-	1,050.00
	Net Cash used in financing activities	(171.62)	2,448.68
	Net increase in Cash and Cash equivalents	(332.12)	299.30
	Cash and Cash equivalents at the	765.85	466.55
	beginning of the year		
	Cash and Cash equivalents at the end of the year	433.73	765.85
	Cash and Cash equivalents comprise of :		<u>`</u>
	Balances with Banks	433.73	766.35
	Margin Money with Bank	-	(0.50)
	Total	433.73	765.85
			100.00

Rs Lacs

Rs Lacs

Note : Previous year figures have been grouped wherever necessary to confirm to this year's classification.

As per our report of even date As per our report of even date For B. K. Khare & Co. Amitabha Mukhopadhyay Sanjay Parande For B. K. Khare & Co. Amitabha Mukhopadhyay Sanjay Parande Chartered Accountants Director Chartered Accountants Director Director Director Firm Registration No. 105102W Firm Registration No. 105102W Prasad V. Paranjape Sriram Vishwanathan Prasad V. Paranjape Sriram Vishwanathan Ajit Sharma Ajit Sharma Chief Executive Officer Chief Financial Officer Chief Executive Officer Chief Financial Officer Partner Partner Membership No. 047296 Membership No. 047296 Shrinidhi Deopujari Shrinidhi Deopujari Place : Pune Place : Pune Company Secretary Place : Pune Place : Pune Company Secretary Date : 28th April, 2015 Date : 28th April, 2015 Date : 28th April, 2015 Date : 28th April, 2015

Board of Directors

Hemant Mohgaonkar Gajanan P. Kulkarni M. S. Unnikrishnan

Company Secretary

Rohit Gokhale

DIRECTORS' REPORT

Dear Shareholder,

Your Directors present the Twenty-seventh Annual Report of the company for the year ended March 31, 2015.

FINANCIAL RESULTS		(Rs. lacs)
Particulars	2014-15	2013-2014
Total Income	26.09	66.93
Profit before depreciation	(68.67)	(33.04)
Depreciation	23.53	28.55
Profit / (Loss) before tax	(92.20)	(61.59)
Provision for taxation including deferred tax	-	-
Prior year tax adjustment	-	-
Profit / (Loss) after tax	(92.20)	(61.59)

PERFORMANCE

The overall business outlook continues to be subdued due to low prices of Certified Emission Reductions (CER) in global market. Due to this situation that prevailed for more than three years, the business has become unviable.

In view of the above, the Board has decided to suspend the business operations during the year hence the entire business activities were discontinued. The financial statements are therefore prepared based on 'not going concern' basis.

HEALTH & SAFETY

In view of the suspension of business during the year, as no activities were conducted, there is nothing to report.

DIVIDEND

In view of the losses the directors do not recommend any dividend during the year.

PUBLIC DEPOSITS

The company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpiad / unclaimed deposit(s) as on March 31, 2015.

BUSINESS RISK MANAGEMENT

The company is facing a risk of viability of business which can endanger its existence. The management is exploring various alternatives to mitigate the said risk.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Even after the suspension of operations during the year, for a given size of financial transactions, company does have adequate Internal Financial Controls.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the company's Articles of Association, Hemant Mohgaonkar retires by rotation and being eligible offers, himself for re-appointment as Director.

Registered Office

Thermax House 14, Mumbai-Pune Road, Wakdewadi, Pune 411 003.

Auditors

B. K. Khare & Co. Chartered Accountants Hotel Swaroop, 4th Floor, Lane No. 10, Prabhat Road, Pune 411 004.

> Bankers Canara Bank

BOARD MEETINGS

During the year Board met five times on April 25, 2014, July 14, 2014, October 17, 2014 January 16, 2015 and March 27, 2015. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

COMPANY SECRETARY

Rohit Gokhale has been appointed as the company secretary of your company with effect from March 27, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on not a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with promoters, Directors which may have a potential conflict with the interest of the company at large.

Particulars of contracts & arrangements with Related Parties are appended in Form AOC 2 as "Annexure 1".

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT - 9, as required under Section 92 of the Companies Act, 2013 is annexed herewith as "Annexure 2" and forms parts of this report.

CONSERVATION OF ENERGYAND TECHNOLOGICAL ABSORPTION

The Particulars as required under the Provision of Section 134 (3)(m) of the Companies Act, 2013 in respet of conservation of energy & Technology absorption are not furnished, considerring the company has not undertaken any business operations.

FOREIGN EXCHANGE EARNINGS AND OUTGO

There are 'NO' transactions in foreign exchange to report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

AUDITORS

M/s. B. K. Khare & Co., Chartered Accountants, retire as Statutory Auditors at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

ACKNOWLEDGEMENTS

The Board of Directors takes this opportunity to thank its customers, bankers, employees and all the other stakeholders for their continued co-operation and support to your company. Your Directors look forward to their continued support in the future as well.

For and on behalf of the Board of Thermax Sustainable Energy Solutions Limited

M. S. Unnikrishnan Director

Hemant Mohgaonkar	
Director	

Place: PuneG. P. KulkarniDate: April 30, 2015Director

Annexure 1

Form No. AOC-2

[(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

(Amount in Rs. Lacs)

Nature of Contracts / arrangements/ transactions	Name of the related party and nature of relationship (Thermax Limited - Holding Company)	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or transactions including the value, if any
Reimbursement of Expenses incurred	Thermax Limited		11.56
Reimbursement of Expenses from Parent Company	Thermax Limited	Various	10.54
Loans, Advances / Deposit outstanding at the end of the year	Thermax Limited	various	338.44
Interest on loan taken	Thermax Limited		16.22

For and on behalf of the Board of Directors of Thermax Sustainable Energy Solutions Limited

Place: Pune Date: April 30, 2015 Hemant Mohgaonkar Director M. S. Unnikrishnan Director G. P. Kulkarni Director

ANNEXURE 2

FORMNO.MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

I.	CIN	:	U29219PN1987PLC045658
II.	Registration Date	:	23.12.1987
III.	Name of the Company	:	Thermax Sustainable Energy Solutions Ltd.
IV.	Category / Sub-Category of the Company	:	Public Company / Limited by Shares
V.	Address of the Registered office and contact details	:	Thermax House, 14, Mumbai – Pune Road, Wakdewadi, Pune- 411003
VI.	Whether listed company	:	No
VII.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Other professional, scientific and technical activities	74909	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the company	CIN/GLN	Holding /Subsidiary/ Associates	% of Shares held	Applicable Section
1	Thermax Limited	L29299MH1980PLC022787	Holding	100	2(46)
	D-13, M.I.D.C. Industrial Area, R.D. Aga Road, Chinchwad, Pune - 411 019				

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders		No. of Sha	of Shares held at the beginning of the year (As on 01-04-2014)			No. of	Shares held a (As on 31		ie year	% Change during the
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	year
A.	Promoters									
(1)	Indian	-	-	-	-	-	-	-	-	-
a)	Individual/ HUF	-	60	60	0	-	60	60	0	0
b)	Central Govnt(s)	-	-	-	-	-	-	-	-	-
c)	State Govnt (s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corp.	-	4749940	4749940	100	-	4749940	4749940	100	0
e)	Banks/FI	-	-	-	-	-	-	-	-	-
f)	Any Other (Relative of Director)	-	-	-	-	-	-	-	-	-
Sub	-total(A)(1):-	-	4750000	4750000	100	-	4750000	4750000	100	0
(2)	Foreign	-	-	-	-	-	-	-	-	-
a)	NRIs Individuals	-	-	-	-	-	-	-	-	-
b)	Other - Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
d)	Banks/ FI	-	-	-	-	-	-	-	-	-
Sub	-total (A) (2):-	-	-	-	-	-	-	-	-	-
	al share holding of Promoter (A)= (1)+(A) (2)	-	4750000	4750000	100	-	4750000	4750000	100	0

Category of Shareholders	No. of Sh	ares held at th (As on 01-		of the year	No. of Shares held at the end of the year (As on 31-03-2015)			ne year	% Change during the
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	year
B. Public Shareholding									
1. Institution]								
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds]								
f) Insurance Companies]								
g) FIIs]								
h) Foreign Venture Capital Funds]								
i) Any other]								
Sub-total(B)(1):-									
2. Non- Institutions]								
a) Bodies Corp.]								
i) Indian]								
ii) Overseas]								
b) Individuals]				NII				
 i) Individual shareholders holding nominal share capital upto Rs. 1 lakh 					NIL				
ii) Individual shareholders holding nominal share capital in excess of Rs 11akh									
c) Others (specify)									
- Directors Relative									
- Trusts									
- Foreign Bodies Corporate									
- Foreign Bodies-DR									
- Non Resident Indian									
- HUF									
- Clearing Members									
Sub-total(B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C) Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	-	4750000	4750000	100	-	4750000	4750000	100	0

(ii) Shareholding of Promoters (including preference shares capital)

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)			Shareholding at the end of the year (As on 31-03-2015)				
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year	
1	Thermax Limited	8749940	100	NIL	8749940	100	NIL	NIL	
2	Arnavaz Rohinton Aga jointly with Thermax Limited	10	0	NIL	10	0	NIL	NIL	

SI No.	Shareholder's Name		g at the beginnin As on 01-04-2014		5	0	areholding at the end of the year (As on 31-03-2015)			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year		
3	Meher Pheroz Pudumjee jointly with Thermax Limited	10	0	NIL	10	0	NIL	NIL		
4	Pheroz Nusly Pudumjee jointly with Thermax Limited	10	0	NIL	10	0	NIL	NIL		
5	M. S. Unnikrishnan jointly with Thermax Limited	10	0	NIL	10	0	NIL	NIL		
6	Ishrat Hussain Mirza jointly with Thermax Limited	10	0	NIL	10	0	NIL	NIL		
7	Abhay Shah jointly with Thermax Limited	10	0	NIL	10	0	NIL	NIL		
	TOTAL	8750000	100	NIL	8750000	100	NIL	NIL		

iii) Change in Promoters' Shareholding: NIL

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)		Shareholding at the end of the year (As on 31-03-2015)		
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
	At the beginning of the year					
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NILNIL				
	At the End of the year					

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NIL

Sl. No.	Name of the shareholder	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Share the year (01-04- 201	2014 to 31-03-
		No. of shares at the beginning (01-04- 2014) / end of the year (31-03-2015)	% of total shares of the company				No. of shares	% of total shares of the company
	NIL							

(V) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the shareholder	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Share the year (01-04-2 2015	2014 to 31-03-
		No. of shares at the beginning (01-04- 2014) / end of the year (31-03-2015)	% of total shares of the company				No. of shares	% of total shares of the company
1	M. S. Unnikrishnan jointly with Thermax Limited	10	0	-	-	-	10	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding /accrued but not due for payment

				Amount in Rs. Lacs
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2014)				
i) Principal Amount	0	202.68	0	202.68
ii) Interest due but not paid	0	121.17	0	121.17
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	323.85	0	323.85

				Amount in Rs. Lacs
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in indebtedness during the financial year				
Addition	0	14.59	0	14.59
Reduction	0	0	0	0
Net Change	0	14.59	0	14.59
Indebtedness at the end of the financial year (31.03.2015)				
i) Principal Amount	0	202.68	0	202.68
ii) Interest due but not paid	0	135.76	0	135.76
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	338.44	0	338.44

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Total Amount
1	Gross salary	
	(a) Salary as per provisions contained insection 17(1) of the Income-tax Act, 1961	
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	
	(c) Profits in lieu of salary undersection17(3)Income- taxAct,1961	
2	Stock Option	
3	Sweat Equity	NA
4	Commission - as % of profit - others, specify	
5	Others, please specify (Retrial Benefits)	
	Total(A)	
	Ceiling as per the Act	

B. Remuneration to other directors:

SI. no.	Particulars of Remuneration		Name of	Directors		Total Amount
1.	Independent Directors	-	-	-	-	-
	Fee for attending board / committee meetings		1	I	1	,
	Commission			NIL		
	Others, please specify	-		NIL		
	Total(1)	-				
2.	Other Non-Executive Directors Directors	Hemant Mohgaonkar	Gajanan P. Kulkarni	M. S. Unnikrishnan	-	
	Fee for attending board /					
	Committee meetings	-				
	Commission					
	Others, please specify					
	Rent for Premises	-				
	Security Deposit for Lease Premises			NIL		
	Total(2)					
	Total(B)=(1+2)	-				
	Total Managerial (A+B) Remuneration					
	Over all Ceiling as per the Act					

C. Remuneration to key managerial personnel other than MD/Manager/Whole Time Director

Sl. no.	Particulars of Remuneration	Total Amount
1.	Gross salary	
	(a) Salary as per provisions contained in section17(1)of the Income-tax Act,1961	
	(b) Value of perquisites u/s 17(2)Income-taxAct,1961	
	(c) Profits in lieu of salary under section 17(3)Income-taxAct,1961	
2.	Stock Option	NA
3.	Sweat Equity	
4.	Commission	
	- as% of profit	
	- Others, specify	
5.	Others, please specify (Retrial Benefits)	
	Total	

VII. Penalties /Punishment/ compounding of offences:

Туре	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any (give Details)
a) Company			·		
Penalty					
Punishment					
Compounding					
b) Directors					
Penalty			NII		
Punishment			NIL		
Compounding					
c) Other Officers in Default					
Penalty					
Punishment					
Compounding					

Independent Auditor's Report

To the Members of Thermax Sustainable Energy Solutions Limited

Report on the Financial Statements

 We have audited the accompanying financial statements of Thermax Sustainable Energy Solutions Limited("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statements of Profit and Loss and Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in 2 Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.
- 4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
- 5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.
- 6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
- 7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 of the state of affairs of the Company as at March 31, 2015, and its loss and its cash flows for the year ended on that date.

Emphasis of matter

 We draw attention to Note 1(a) to the financial statements dealing with preparation of financial statements on 'Not a Going Concern Basis'. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 10. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 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 3 and 4 of the Order.
- 11. As required by Section 143(3) of the Act, we report that:
 - we have sought and 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 it 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;
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. On the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014(as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2(i) (Contingent Liabilities)to the financial statements
 - The Company does not have any long-term contract or any derivative contracts hence there is no need to consider provision for material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Place : Pune Date : April 30, 2015 H. P. Mahajani Partner Membership Number 030168

ANNEXURE TO THE AUDITOR'S REPORT REFERRED TO IN PARA 10 OF OUR REPORT OF EVEN DATE:

- 1 (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
- 2 In our opinion and according to the information and explanations given to us, the requirements of Paragraphs 3 (ii) of the Companies (Auditor's Report) Order, 2015 (as amended) in respect of 'Inventories' are not, on facts, applicable to the Company and hence no comments have been offered there under.
- 3 The Company has not granted any loans, secured or unsecured to any of the companies, firms nor other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a) and (b) of the said order are not applicable to the company.
- 4 In our opinion and according to the information and explanations given to us, the Company is having an adequate internal control system commensurate with the size and the nature of its business, for the purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and sale of goods. On the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across, nor have we been informed of, any continuing failure to correct any major weaknesses in the aforesaid internal control system.
- 5 The Company has not accepted any deposits within the meaning of Section 73 of the Act and rules framed there under.
- 6 The Central Government of India has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- 7 (a) According to the records of the Company and information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, Sales tax, Wealth tax and Service tax, duty of customs, duty of excise, Value added tax, cess and other applicable statutory dues with the appropriate authorities.
 - (b) According to the information and explanations given to us and records of the Company examined by us, there are no dues of Income tax, Sales

tax, Wealth tax, Service tax, duty of excise, duty of customs, Value added tax, and cess which have not been deposited on account of any dispute.

- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 8 The Company's accumulated losses as at the end of the year have exceeded fifty per cent of its net worth. Also, the Company has incurred cash loss in the current and immediately preceding financial year.
- 9 Based on the records examined by us and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the Balance Sheet date.
- 10 According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of clause 3(x) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- 11 In our opinion, and according to the information and explanations given to us, during the year, no term loans have been obtained by the Company.
- 12 During the course of our examination of the books of accounts carried out in accordance with generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such case by the Management.

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

Place : Pune Date : April 30, 2015 H. P. Mahajani Partner Membership Number 030168

Balance Sheet as at March 31, 2015

Particulars	Note No	Rs Lacs As at March 31, 2015	Rs Lacs As at March 31, 2014
I. EQUITY AND LIABILITH	ES		
1. Shareholders' funds			
a. Share capital	1	875.00	875.00
b. Reserves and surplus	2	(869.43)	(777.23)
		5.57	97.77
2. Non-current liabilities			
a. Long-term borrowings	3	-	323.85
b. Long-term provisions	4	-	4.01
			327.85
3. Current liabilities			
a. Short-term borrowings	5	338.44	-
b. Trade payables	6	2.72	15.67
c. Other current liabilities	7	48.53	47.73
d. Short-term provisions	8	4.69	-
		394.39	63.41
TOTAL		399.96	489.03
II ASSETS			
1. Non-current assets			
a. Fixed assets	9		
i. Tangible assets		-	0.21
ii. Intangible assets		-	23.32
iii. Capital work-in-progr	ess	-	-
b. Long-term loans and advar	nces 10	203.92	233.32
		203.92	256.85
2. Current assets			
a. Inventories	11	-	4.55
b. Trade receivables	12	-	0.11
c. Cash and cash equivaler	nts 13	170.02	154.72
d. Short-term loans and advar	nces 14	20.31	18.87
e. Other current assets	15	5.71	53.93
		196.04	232.18
TOTAL		399.96	489.03
Notes to the financial statements	21		

The accompanying notes are an integral part of the financial statements.

As per our report of even date For B.K.Khare & Co.

Chartered Accountants	M. S. Unnikrishnan	Gajanan Kulkarni
Firm Registration No 105102W	Director	Director
H. P. Mahajani	Hemant Mohgaonkar	Rohit Gokhale
Partner	Director	Company Secretary
Membership No.030168		
Place:Pune	Place:Pune	
Date: April 30, 2015	Date: April 30, 2015	

Particulars			Rs Lacs	Rs Lacs
		Note No	Current Year	Previous Year
I	Revenues from operations	16	-	40.15
П	Other income	17	26.09	26.78
ш	Total Revenue (I+II)		26.09	66.93
IV	Expenses :			
	Purchases of Stock-in-Trade		-	5.44
	Employee benefits	18	22.64	63.38
	Finance costs	19	16.22	16.22
	Depreciation and amortisation		23.53	28.55
	Other expenses	20	55.91	14.93
	Total Expenses		118.29	128.52
V	Profit before exceptional and extraordinary items and tax (III-IV)		(92.20)	(61.59)
VI	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		(92.20)	(61.59)
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII- VIII)		(92.20)	(61.59)
Х	Tax expense:			
	1. Current tax		-	-
	2. Deferred tax		-	-
XI	Profit / (loss) for the period from continuing operations (IX-X)		(92.20)	(61.59)
XII	Profit / (loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit / (loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		(92.20)	(61.59)
XVI	Earning per equity share: (Refer Note no 2 (vi) of Note 21)			

1. Basic and Diluted 2. Face Value per Share (Rs.)

21 Notes to the financial statements

The accompanying notes are an integral part of the financial statements.

(1.94)

10.00

(1.30)

10.00

Chartered Accountants	M. S. Unnikrishnan	Gajanan Kulkarni
Firm Registration No 105102W	Director	Director
H. P. Mahajani	Hemant Mohgaonkar	Rohit Gokhale
Partner	Director	Company Secretary
Membership No.030168		

Profit and loss statement for the year ended March 31, 2015

Notes to Financial Statements

	Rs Lacs As at March 31,	Rs Lacs As at March 31,
Particulars	2015	2014
Note 1		
Share capital		
Authorised		
4750000 (Previous Year : 4750000)		
Equity Shares of 10/- each	475.00	475.00
4000000 (Previous Year : 4000000)		
Preference Shares of 10/- each	400.00	400.00
Issued		
4750000 (Previous Year : 4750000)		
Equity Shares of 10/- each	475.00	475.00
4000000 (Previous Year : 4000000)		
Preference Shares of 10/- each	400.00	400.00
TOTAL	875.00	875.00
a) Reconciliation of the shares at the beginning and at	the end of the rep	orting period.

March 2015 March 2014 **Equity Shares**

	Nos	Rs Lacs	Nos	Rs Lacs
At the beginning of the	4750000	4750000	475.00	475.00
period				
Issued during the period			-	-
Outstanding at the end	4750000	4750000	475.00	475.00
of the period				
Preference Shares	March	2015	March 2014	
	Nos	Rs Lacs	Nos	Rs Lacs
At the beginning of the period	4000000	4000000	400.00	-
Issued during the period	-	-	-	400.00
Outstanding at the end of the period	4000000	4000000	400.00	400.00

b) Term/rights attached to equity shares The Company has only one class of equity shares having at par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The dividend proposed by the Board of Directors shall be subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Term/rights attached to Preference shares

The 6% Cumulative Preference shares issued on 12/04/2012 shall be redeemed in one or more tranches not later than a period of six years from the date of allotment at face value. No voting rights are attached to the said Preference shares.

d) Shares held by holding / ultimate holding company and/ or their subsidiaries/ associates.

100% of the equity as well preference shares are held by its holding company, Thermax Limited.

e) Details of Share holding more than 5% shares in the Company.

	March 31,	March 31,
	2015	2014
Equity Shares of Rs. 10 each fully paid up	100%	100%
Thermax Limited		
Preference Shares of Rs. 10 each fully paid up	100%	100%
Thermax Limited		
Note 9		

FIXE

Note 9 FIXED ASSETS Rs. Lacs										
Particulars	GROSS BLOCK DEPRECIATION NET BLOCK									
	Cost As	Additions	Deductions	Total Cost	Upto 31St	Deductions	Provision	Total As On	As on 31st	As on 31st
	On	during	during	as on	March 2014	during	during	31.03.2015	March 2015	March 2014
	01.04.2014	Apr - Mar 15	Apr - Mar 15	31.03.2015		Apr - Mar 15	Apr - Mar 15			
Tangible Assets :										
Office Equip, Computer	4.20		-	4.20	3.99	-	0.21	4.20	-	0.21
Intangible Assets :										
Technical Knowhow	66.30	-		66.30	43.09	-	23.20	66.30	-	23.20
Software	2.39	-		2.39	2.27	-	0.12	2.39	-	0.12
Total	72.89	-	-	72.89	49.35	-	23.53	72.89	-	23.53
Previous Year (Mar-14)	73.78	-	0.89	72.89	21.42	0.61	28.55	49.35	23.53	52.36
Capital Work in Progress									-	-

	Rs Lacs	Rs Lacs
	As at	As at
Particulars	March 31, 2015	March 31, 2014
Note 2	2015	2014
Reserves and Surplus		
General Reserve		
Per Last Balance Sheet	162.52	162.52
Transferred from Surplus	-	
	162.52	162.52
Surplus / (Deficit)		
Per Last Balance Sheet	(939.75)	(878.16)
Profit / (Loss) for the year	(92.20)	(61.59)
	(1,031.95)	(939.75)
TOTAL	(869.43)	(777.23)
Note 3		
Long-Term Borrowings		
Loans and advances from related parties	_	323.85
(Repayable within 24 months)		525.00
TOTAL		323.85
Note 4		
Long-Term Provisions		
Employee Benefits		4.01
TOTAL		4.01
Note 5		
Short-term borrowings		
Loans and advances from related parties	338.44	-
TOTAL	338.44	
Note 6		
Trade payables		
Trade payables	2.72	15.67
(Ref Note No. 2 (vii) of Note 21)	2.72	15.07
TOTAL	2.72	15.67
Note 7		
Other current liabilities		
Customer Advances	42.61	44.68
Other Liabilities	5.92	3.06
TOTAL	48.53	47.73
Note 8		
Short-term provisions		
Employee Benefits	4.69	-
TOTAL	4.69	-

Notes to financial statements

	Rs Lacs	Rs Lacs
	As at	As at
	March 31,	March 31,
Particulars	2015	2014
Note 10		
Long-term loans and advances Advances to Staff and Workers		
Other loans and advances	-	-
Advance Payment of Income Tax and Wealth Tax	203.92	233.32
	203.72	255.52
[(Net of Provision Rs. 430.70 Lacs (Previous Year :Rs.430.70 Lacs)]		
TOTAL	203.92	233.32
Note 11		
Inventories		
Monitoring Equipments (At lower of Cost or Net Realisable Value)	-	4.55
TOTAL		4.55
Note 12		
Trade Receivables		
Unsecured trade receivable outstanding for a period		
exceeding six month	-	-
Considered doubtful	0.08	
Less : Provision for doubtful debts	(0.08)	
Other trade receivable		0.11
TOTAL		0.11
Note 13		
Cash and cash equivalents		
Balances with banks		
Deposit others	166.26	140.00
Balances in current accounts	3.75	14.72
TOTAL	170.02	154.72
Note 14		
Short-term loans and advances		
Unsecured, considered good Advances recoverable in cash or in kind	20.31	10.07
Advances recoverable in cash or in kind or for value to be received	20.31	18.87
TOTAL	20.31	18.87
IOIAL	20.31	10.07
Note 15		
Other current assets		
Balance in Central Excise & Customs Accounts	5.46	53.68
Other current assets	0.25	0.25
TOTAL	5.71	53.93

Destination	Rs Lacs Current	Rs Lacs Previous
Particulars Note 16	Year	Year
Revenue from operations		
A. Sales		
(i) Domestic	-	9.68
(i)		9.68
(ii) Exports	-	
(i) + (ii)	-	9.68
B. Sale of services		30.17
C. Other operating revenues		
Interest Income		0.30
		0.30
D. Less: Excise duty		-
TOTAL		40.15
Note 17		
Note 17 Other income		
Interest Income	15.55	16.14
Other non-operating income	10.54	10.64
TOTAL	26.09	26.78
Note 18		
Employee Benefits Expense		
Salaries and wages	21.44	57.41
Contribution to provident and other funds TOTAL	<u> </u>	5.97
IOTAL		63.38
Note 19		
Finance Costs		
Interest on Loan	16.22	16.22
TOTAL	16.22	16.22
N. (
Note 20		
Other Expenses Site Expenses and Contract Labour Charges		4.70
Insurance	0.00	0.03
Repairs and Maintenance:		0.05
Others	-	0.01
Traveling and Conveyance	0.00	0.02
Bank Charges	0.00	0.01
Legal & Professional Charges	0.37	9.43
Printing and Stationery	0.04	-
Auditors Fees (Refer Note no 2 (iv) of Note 21)	0.70	0.70
Provision for Doubtful debts	0.08	-
Provision for Inventory absolescence	4.55	-
Service Tax not Recoverable	49.38	-
Miscellaneous Expenses	0.78	0.02
TOTAL	55.91	14.93

Notes to Financial Statements

Note 21

1 Significant Accounting Policies

a) Basis of Preparation of Financial Statements

The company was in the business of Carbon Advisory Services. During the year, in view of continuous business uncertainties in the CER market, the Board of Directors of the Company has decided to indefinitely suspend the said business operations of the Company. Consequently, the financial statements for the year ended 31 March 2015, have been prepared on 'Not a Going Concern' basis. Fixed assets have been fully depreciated and stated at Nil.

Other current and non-current assets which are not likely to be realised in foreseeable future, have been written down/ provided for.

Subject to the above, the financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material respect with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013.

b) Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognised in the period in which the results are known / materialized.

c) Provisions and Contingent Liabilities

Provisions in respect of present obligations arising out of past events (recognised in the manner required by AS 29) are made in the accounts when a reliable estimate can be made of the amount of the obligations. Contingent liabilities in respect of possible obligations arising from past events, if any, are disclosed by way of a note to the Balance Sheet.

Contingent liabilities are disclosed by way of note to the financial statements, after careful evaluation by the management of the facts and legal aspects of the matter involved.

2. Notes to Accounts

- i) Contingent Liabilities not provided for :-
 - Demands disputed of Income Tax in appellate proceedings Rs 191.17 Lacs (Previous Year : Rs. 191.17 Lacs)
 - Appeals preferred by the Income Tax department in respect to which, should the ultimate decision be unfavorable to the company, the liability is estimated to be Rs. 138.09 Lacs (Previous Year : Rs. 138.09 Lacs)
 - c) Dividend payable @ 6% on preference share capital Rs. 72 Lacs (Previous Year : Rs. 48 Lacs)
- Employee benefit consists of deputation charges for employees deputed by the parent company.
- iii) Impact of the accounts not being prepared on a 'going concern basis':
 - Depreciation on fixed assets higher by Rs. 10.27 Lacs

Provision for doubtful current and non-current assets Rs. 49.46 Lacs

iv) Other Expenses include:

Particulars	Current Year	Previous Year
	Rs. Lacs	Rs. Lacs
i. Audit Fees	0.70	0.50
ii. VAT audit & Consultancy	-	0.20

Amounts are exclusive of service tax.

v) a) Related Party Disclosures

Sr No	Relationship	Name of Related Parties
1	Ultimate Holding	RDA Holdings Pvt. Ltd. (RDA)
	Company	
2	Holding Company	Thermax Limited (TL)

Sr No	Relationship	Name of Related Parties
3	Subsidiaries	-
4	Subsidiaries and Joint Venture	Thermax Engineering Construction Company Limited
	Companies of	Thermax Instrumentation Limited
	Holding Company	Thermax Onsite Energy Solutions Limited
		Thermax SPX Energy Technologies
		Limited (Joint venture with SPX
		Netherlands BV)
		Thermax Babcock & Wilcox Energy
		Solutions Pvt. Ltd. (Joint venture with
		Babcock & Wilcox India Holdings Inc.)
		Thermax International Limited
		(Mauritius)
		Thermax Hong Kong Limited (Hong Kong)
		Thermax Europe Limited (U.K.)
		Thermax Inc. (U.S.A)
		Thermax do BrasilEnergia e Equipametos Ltda. (Brazil)
		Thermax (Zhejiang) Cooling & Heating
		Engineering Co. Limited (China)
		Thermax Netherlands B.V. (Netherlands)
		Thermax DenmarkApS (Denmark)
		Danstoker A/S (Denmark)
		EjendomsanpartsselskabetIndustrivej
		Nord 13 (Denmark)
		Omnical Kessel- und Apparatebau
		GmbH (Germany)
		Thermax SDN. BHD. (Malaysia)
		Rifox – Hans Richter GmbH
		Spezialarmaturen (Germany)
		Boilerworks A/S (Denmark)
		Boilerworks Properties ApS (Denmark)
		Thermax Engineering Singapore Pte Ltd.
		PTThermaxInternational Indonesia
		-(Step down subsidiary of Thermax
		EngineeringSingapore Pte Ltd.)
		Thermax Senegal SARL -(Step down
		subsidiary of
		Thermax International Ltd., Mauritius)

b) Transactions with the Related parties

Sr No	Particulars	2014-15	2013-14
		Rs. Lacs	Rs. Lacs
1	Reimbursement of expenses incurred by the		
	(TL)	11.56	52.66
2	Reimbursement of expenses from		
	(TL)	10.54	10.41
3	Sales made		
	Capital Assets (TL)	-	0.26
	Capital Assets (TOESL)	-	0.07
4	Interest on loan taken from the (TL)	16.22	16.21
5	Outstanding Balances as at 31st March 2015		
	Payable - (TL)	1.76	14.71
	Loan and accrued interest payable -(TL)	338.44	323.85

vi) Earning per Share (EPS)

The earning per share calculated in accordance with Accounting standard $-\,20$ "Earning Per Share" issued by the Institute of Chartered Accountants of India :

Particulars	As at 31st	As at 31st
	March 2015	March 2014
Net profit as per Profit & Loss	(92.20)	(61.59)
Account (in Rs. Lacs)		
Weighted Average Number of Equity	47,50,000	47,50,000
Shares (Face Value Rs.10 each)		
Face Value of Equity Shares	10	10
(in Rupees)		
Basic earnings per share (in Rupees)	(1.94)	(1.30)
Diluted earnings per share (in	(1.94)	(1.30)
Rupees)		

Notes to Financial Statements

vii) The company has not received any intimation, from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year-end together with interest paid / payable as required under the said Act have not been given. Rs. Lacs

Sr.	Particulars	2	014-15		2	2013-14	
No		Principal	Interest	Total	Principal	Interest	Total
A	Total outstanding dues to micro small and Medium enterprises	Nil	Nil	Nil	Nil	Nil	Nil
В	Principal amount and interest due thereon remaining unpaid as at end of the year	Nil	Nil	Nil	Nil	Nil	Nil
С	Amount of interest paid in terms of section 16 of MSMED Act alongwith the amount of the payment made to supplier beyond appointed day	Nil	Nil	Nil	Nil	Nil	Nil
D	Outstanding Interest (where principal amount has been paid off to the supplier but interest amount is outstanding as on March 31)	Nil	Nil	Nil	Nil	Nil	Nil
E	Total Interest outstanding as on March 31 (Interest in 'b' + interest in 'd' above)	Nil	Nil	Nil	Nil	Nil	Nil

viii) Previous Year's figures have been regrouped wherever necessary to conform to this Year's classification.

As per our report of even date **For B.K.Khare & Co.**

Chartered Accountants	M. S. Unnikrishnan	Gajanan Kulkarni
Firm Registration No 105102W	Director	Director
H. P. Mahajani	Hemant Mohgaonkar	Rohit Gokhale
Partner	Director	Company Secretary
Membership No.030168		

Place:Pune Date: April 30, 2015 Place:Pune Date: April 30, 2015

Cash Flow Statement

Par	ticulars	Rs Lacs	Rs Lacs
		As at	As at
		March 31,	March 31,
		2015	2014
Α	Cash flow from Operating Activities		
	Profit before taxation	(92.20)	(61.59)
	Adjustment for :		
	Depreciation	23.53	28.55
	Interest income	(15.55)	(16.14)
	Interest Expenditure	(16.22)	(16.22)
	Operating profit before working capital	(100.43)	(65.40)
	changes	(100.43)	(03.40)
	Changes in Working Capital:		
	Increase / (Decrease) in trade payables	(12.95)	(107.56)
	Increase / (Decrease) in provisions	4.69	-
	Increase / (Decrease) in other current	339.24	(39.44)
	liabilities		
	Increase / (Decrease) in other long term liabilities	(323.85)	14.60
	Increase / (Decrease) in other long term	(4.01)	0.49
	provisions		
	Increase / (Decrease) in trade receivables	0.11	10.69
	Increase / (Decrease) in inventories	4.55	0.71
	Increase / (Decrease) in loans & advances	(1.43)	14.51
	Increase / (Decrease) in other current assets	48.22	(1.94)
	Increase / (Decrease) in other non-current assets	29.39	0.62
	Net Cash generated from operating		
	activities	(16.47)	(172.73)
В	Cash flow from Investing Activities		
	Sale of tangible / intangible assets	-	0.28
	Interest received	15.55	16.14
	Net cash from investing activities	15.55	16.41
С	Cash flow from Financing Activities		
	Interest paid	16.22	16.22
	Net Cash used in financing activities	16.22	16.22
	Net increase in Cash and Cash equivalents	15.30	(140.08)
	Cash and Cash equivalents at the	154.72	294.80
	beginning of the year		
	Cash and Cash equivalents at the end of	170.02	154.72
	the period		
	Cash and Cash equivalents comprise of :		
	Balances with Banks	170.02	154.72
	Total	170.02	154.72

Note : Previous year figures have been grouped wherever necessary to confirm to this year's classification.

As per our report of even date For B.K.Khare & Co.		
Chartered Accountants	M. S. Unnikrishnan	Gajanan Kulkarni
Firm Registration No 105102W	Director	Director
H. P. Mahajani	Hemant Mohgaonkar	Rohit Gokhale
Partner	Director	Company Secretary
Membership No.030168		
Place:Pune	Place:Pune	
Date: April 30, 2015	Date: April 30, 2015	
Board of Directors

Pheroz Pudumjee (Chairman) Eugene Lowe* Ravinder Advani Vivek Dhir Torsten Andersch* (Alternate to Eugene Lowe)

Key Managerial Personnel

Mahesh Kulkarni (Manager) (Appointed on January 13, 2015) Ravi Shewade (Manager) (Appointed on January 13, 2015) Manohar Kansara (Chief Financial Officer) (Appointed on January 13, 2015) Mahesh Kakade (Appointed on January 13, 2015)

Registered Office

Thermax House, 14, Mumbai – Pune Road, Wakdewadi, Pune - 411003

Auditors

B. K. Khare & Co. Chartered Accountants Hotel Swaroop, 4th Floor, Lane No. 10, Prabhat Road, Pune 411004

Corporate Office

4th Floor, Energy House, D-II Block, Plot No. 38 & 39, MIDC, Chinchwad, Pune 411019

Bankers

Corporation Bank Axis Bank

Directors' Report

Dear Shareholder,

Your Directors present their Sixth Annual Report of the company for the year ended March 31, 2015.

FINANCIAL RESULTS

		(Rs.in lacs)
Particulars	2014-15	2013-14
Total income	303.87	1783.18
Profit/(Loss) before depreciation	(209.69)	(38.54)
Depreciation	1.81	6.40
Profit/(Loss) before tax	(211.50)	(44.94)
Provision for taxation (incl. deferred tax)	-	-
Profit/(Loss) after tax	(211.50)	(44.94)

DEFINING OUR BUSINESS

Your company is a strategic joint venture (JV) between Thermax Limited and SPX Netherlands BV., a wholly owned subsidiary of SPX Corporation, USA.

The JV helps power plants meet the stringent emission norms and improve thermal efficiencies in the boiler island by supplying products like electrostatic precipitators (ESP), Bag Houses, Rotary Air Pre-Heaters (RAPHs). In addition to above products the JV has been offering Air Cooled Condensers [ACC] based on SPX technologies for all sizes of thermal power plants. Thermax's expertise will help in facilitating and integrating energy and environment aspects of the business.

PERFORMANCE

During the year, your company earned a total income of Rs. 303.87 Lac as against Rs. 1783.18 Lac in the previous year. Loss after tax was Rs. 211.50 Lac as against previous year's loss after tax of Rs. 44.94 Lac. During the year, the company commissioned its second ACC order; this order involves design, engineering, manufacturing, supply, supervision of installation, erection and commissioning of ACC for a cement plant, a 25 MW & 10 MW thermal power plant.

During the period under review, your company bagged first merchant export order for ACC This order involves design, engineering, manufacturing, supply, supervision of ACC. This order marks your company's entry into the export sector.

HEALTH & SAFETY

Safety and health at offices and project sites are of paramount importance for your company and it strives for continuous improvement to establish a proactive safety culture at office and site.

DIVIDEND

In view of the loss your Directors do not recommend any dividend.

PUBLIC DEPOSITS

The company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpiad / unclaimed deposit(s) as on March 31, 2015.

BUSINESS RISK MANAGEMENT

The company has identified and classified its key risks pertaining to the core business and has a broad framework in place for effective risk identification, review and mitigation. The company will continue to actively monitor and strengthen its risk management framework.

The company has also installed a fully integrated computer system to track and monitor statutory compliances.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal controls are reviewed by Internal Audit Department of holding company on periodical basis. All significant and material observations emerging out of Internal Audit are regularly reported to the Audit Committee of the Board and follow-up measures are taken.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your company intends to constitute a policy on appointment and remuneration of Directors and Key Managerial Personnel during the current Financial Year.

KEY MANAGERIAL PERSONNEL

During the year under review the company has appointed following persons as Key Managerial Personnel:

Sr. No.	Name of the person	Designation
1	Mahesh Kulkarni	Manager
2	Ravi Shewade	Manager
3	Manohar Kansara	Chief Financial Officer
4	Mahesh Kakade	Company Secretary

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the company's Articles of Association, Pheroz Pudumjee retires by rotation and being eligible offers, himself for re-appointment as Director.

The company intends to appoint the Independent Directors in the Current financial year.

BOARD MEETINGS

During the year Board met four times on April 29, 2014, July 28, 2014, October 14, 2014 and January 13, 2015. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate (c) accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES OF THE BOARD

The Board has constituted following committees viz. Audit Committee and Remuneration Committee

AUDIT COMMITTEE

The Committee has met four times during the year on April 29, 2014, July 28, 2014, October 14, 2014 and January 13, 2015. The Committee comprises 4 (Four) members, all being non-executive Directors. Pheroz Pudumjee, Eugene Lowe, Ravinder Advani and Vivek Dhir are members of the committee.

REMUNERATION COMMITTEE

The Committee comprises 2 (Two) members, all being non-executive Directors. Pheroz Pudumjee and Eugene Lowe are the members.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the company at large.

Particulars of contracts & arrangements with Related Parties are appended in Form AOC 2 as "Annexure 1".

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT - 9, as required under Section 92 of the Companies Act, 2013 is annexed herewith as "Annexure 2" and forms parts of this report.

CONSERVATION OF ENERGY

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy has not been furnished considering the nature of business of the company.

TECHNOLOGY ABSORPTION

There was no technology acquisition and absorption during the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pertaining to foreign exchange earnings and outgo, under Section 134 (3) (m) of the Companies Act, 2013 is set out in note no. 1.6 of Notes to Financial Statements.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS **OR COURTS**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the company and its future operations.

AUDITORS

M/s. B. K. Khare & Co., Chartered Accountants, retire as Statutory Auditors at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the support extended by the company's customers, vendors and bankers during the year and look forward to their continued support in the future as well.

> For and on behalf of the Board of Directors of Thermax SPX Energy Technologies Limited

	Pheroz Pudumjee	Ravinder Advani
	Director	Director
Pune		Torsten Andersch
May 12, 2015		Director

Annexure 1

Form No. AOC-2

[(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

(Amount in Rs. Lacs)

Nature of Contracts / arrangements/ transactions	Name of the related party and nature of relationship (Thermax Limited-holding Company Thermax Instrumentation Ltd. & Thermax Babcock & Wilcox Energy Solutions Pvt. Ltd fellow subsidiaries and BalckeDurr GmbH & SPX Cooling Technologies, USA - party having substantial intrest)	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or transactions including the value, if any
Sales, Service, Other income	Thermax Limited		31.50
Income from rendering of Services	Thermax Instrumentation Ltd.		16.20
	BalckeDurr GmbH		11.77
Expenses: Office Rent	Thermax Limited		55.13
Reimbursement of Expenses Paid	Thermax Limited		21.58
	Thermax Babcock & Wilcox Energy Solutions Pvt. Ltd.	Various	5.70
Reimbursement of Expenses Received	SPX Cooling Technologies, USA		(5.29)
Deposit Given	Thermax Limited		30.42
Amount Outstanding - Advances, Payable, Advances Outstanding	Thermax Limited		369.70
Guarantees & Collaterals	Thermax Limited		68

For and on behalf of the Board of Directors of Thermax SPX Energy Technologies Limited

Place: Pune Date: May 12, 2015 Pheroz Pudumjee Director Ravinder Advani Director Torsten Andersch Director

ANNEXURE 2

FORMNO.MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

I.	CIN	:	U29299PN2009PLC134761
II.	Registration Date	:	06.10. 2009
III.	Name of the Company	:	Thermax Spx Energy Technologies Limited
IV.	Category / Sub-Category of the Company	:	Public Company / Limited by Shares
V.	Address of the Registered office and contact details	:	Thermax House, 14, Mumbai – Pune Road, Wakdewadi, Pune – 411003, India
VI.	Whether listed company	:	No
VII.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Air Cooled Condenser (ACC)	28110	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the company	CIN/GLN	Holding /Subsidiary/ Associates	% of Shares held	Applicable Section
1	Thermax Limited	L29299MH1980PLC022787	Holding	100	2(46)
	D-13, M.I.D.C. Industrial Area, R.D. Aga Road, Chinchwad, Pune - 411 019				

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders No. o		No. of Sh	ares held at th (As on 01		of the year	No. of Shares held at the end of the year (As on 31-03-2015)				% Change during the
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	year
A.	Promoters									
(1)	Indian	-	-	-	-	-	-	-	-	-
a)	Individual/ HUF	-	5	5	0	-	5	5	0	0
b)	Central Govnt(s)	-	-	-	-	-	-	-	-	-
c)	State Govnt (s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corp.	-	10199995	10199995	51	-	10199995	10199995	51	0
e)	Banks/FI	-	-	-	-	-	-	-	-	-
f)	Any Other (Relative of Director)	-	-	-	-	-	-	-	-	-
Sut	p-total(A)(1):-	-	10199995	10199995	51	-	10199995	10199995	51	0
(2)	Foreign	-	-	-	-	-	-	-	-	-
a)	NRIs Individuals	-	-	-	-	-	-	-	-	-
b)	Other - Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corp.	-	9800000	9800000	49	-	9800000	9800000	49	-
d)	Banks/ FI	-	-	-	-	-	-	-	-	-
Sul	p-total (A) (2):-	-	-	-	-	-	-	-	-	-
	al share holding of Promoter (A)= (1)+(A) (2)	-	20000000	20000000	100	-	20000000	20000000	100	0

Ca	tegory of Shareholders	No. of Sha	ares held at the (As on 01-		of the year	No. of Shares held at the end of the year (As on 31-03-2015)		he year	% Change during the	
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	year
B.	Public Shareholding									
1.	Institution									
a)	Mutual Funds									
b)	Banks/FI									
c)	Central Govt									
d)	State Govt(s)									
e)	Venture Capital Funds									
f)	Insurance Companies									
g)	FIIs									
h)	Foreign Venture Capital Funds									
i)	Any other									
Su	b-total(B)(1):-									
2.	Non- Institutions									
a)	Bodies Corp.									
	i) Indian									
	ii) Overseas									
b)	Individuals					NII				
	 Individual shareholders holding nominal share capital upto Rs. 1 Lac 					NIL				
	ii) Individual shareholders holding nominal share capital in excess of Rs 1Lac									
c)	Others (specify)									
	- Directors Relative									
	- Trusts									
	- Foreign Bodies Corporate									
	- Foreign Bodies-DR									
	- Non Resident Indian									
	- HUF									
	- Clearing Members									
Su	b-total(B)(2):-									
	tal Public Shareholding (B)=(B)(1)+)(2)									
C)	Shares held by Custodian for GDRs & ADRs									
Gr	and Total (A+B+C)	-	20000000	2000000	100	-	2000000	2000000	100	0

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	reholding at the beginning of the year (As on 01-04-2014)			Shareholding at t (As on 31	he end of the year -03-2015)	ŗ	
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year
1	Thermax Limited	10199995	51%	NIL	10199995	51%	NIL	51%
2	SPX Netherlands BV	9800000	49%	NIL	9800000	49%	NIL	49%

SI No.	Shareholder's Name		Shareholding at the beginning of the year (As on 01-04-2014)			Shareholding at the end of the year (As on 31-03-2015)		
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year
3	Arnavaz Rohinton Aga jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL
4	Meher Pheroz Pudumjee jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL
5	Pheroz Nusly Pudumjee jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL
6	M. S. Unnikrishnan jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL
7	Abhay Shah jointly with Thermax Limited	1	0	NIL	1	0	NIL	NIL
	Total	2000000	100%	NIL	20000000	100%	NIL	20000000

iii) Change in Promoters' Shareholding: NIL

SI No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)		Shareholding at the end of the year (As on 31-03-2015)			
		No. of Shares % of total Shares of the company		No. of Shares	% of total Shares of the company		
	At the beginning of the year						
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):						
	At the End of the year	1					

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NIL

Sl. No.	Name of the shareholder	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Share the year (01-04- 201	2014 to 31-03-
		No. of shares at the beginning (01-04- 2014) / end of the year (31-03-2015)	% of total shares of the company				No. of shares	% of total shares of the company
	NIL							

(V) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the shareholder	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Share the year (01-04-2 2015	2014 to 31-03-
		No. of shares at the beginning (01-04- 2014) / end of the year (31-03-2015)	% of total shares of the company				No. of shares	% of total shares of the company
1	Pheroz Nusly Pudumjee jointly with Thermax Limited	1	0				1	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding /accrued but not due for payment

				Amount in Rs. lacs
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2014)				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

Amount in Rs. lacs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness			
Change in indebtedness during the financial year				·			
Addition							
Reduction							
Net Change							
Indebtedness at the end of the financial year (31.03.2015)		NIL					
i) Principal Amount							
ii) Interest due but not paid							
iii) Interest accrued but not due							
Total (i+ii+iii)							

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

				Amount in Lacs.
SI. no.	Particulars of Remuneration	Manager (Mahesh Kulkarni)	Manager (Ravi Shewade)	Total Amount in Rs.
1	Gross salary			
	(a) Salary as per provisions contained insection 17(1) of the Income-tax Act, 1961	16.76	14.36	31.12
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	0.29	0.17	0.46
	(c) Profits in lieu of salary undersection17(3)Income- taxAct,1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify	0	0	0
5	Others, please specify (Retrial Benefits)	0	0	0
	Total(A)	17.05	14.53	31.58
	Ceiling as per the Act	42		

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration		Na	me of Director	8		Total Amount
1.	Independent Directors	-	-		-	-	
	Fee for attending board / committee meetings						
	Commission				a.		
	Others, please specify			N	IL		
	Total(1)						
2.	Other Non-Executive Directors Directors	Pheroz Pudumjee	Ravinder Advani	Vivek Dhir	Eugene Lowe	Torsten Andersch	
	Fee for attending board /						
	Committee meetings						
	Commission						
	Others, please specify						
	Rent for Premises						
	Security Deposit for Lease Premises			N	IL		
	Total(2)						
	Total(B)=(1+2)]					
	Total Managerial (A+B) Remuneration						
	Over all Ceiling as per the Act	1					

C. Remuneration to key managerial personnel other than MD/Manager/Whole Time Director

				Amount in Rs. Lacs		
Sl. no.	Particulars of Remuneration	Key Managerial Personnel				
		Company Secretary (Mahesh Kakde)	Chief Financial Officer (Manohar Kansara)	Total Amount in Rs. Lacs		
1.	Gross salary					
	(a) Salary as per provisions contained in section17(1)of the Income-tax Act,1961	5.98	9.32	15.30		
	(b) Value of perquisites u/s 17(2)Income-taxAct,1961	0.06	0	0.06		
	(c) Profits in lieu of salary under section 17(3)Income-taxAct,1961	0	0	0		
2.	Stock Option	0	0	0		
3.	Sweat Equity	0	0	0		
4.	Commission	0	0	0		
	- as% of profit					
	- Others, specify					
5.	Others, please specify (Retrial Benefits)	0	0	0		
	Total	6.04	9.32	15.36		

VII. Penalties /Punishment/ compounding of offences:

Туре	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any (give Details)
a) Company					
Penalty					
Punishment					
Compounding					
b) Directors					
Penalty			NII		
Punishment			NIL		
Compounding					
c) Other Officers in Default					
Penalty					
Punishment					
Compounding					

Independent Auditor's Report

To the Members of Thermax SPX Energy Technologies Limited

Report on the Financial Statements

 We have audited the accompanying financial statements of Thermax SPX Energy Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statementsof Profit and Loss and Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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

- 3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
- 4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
- 5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.
- 6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
- We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaidfinancial 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 of the state of affairs of the

Company as at March 31, 2015, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 9. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 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 3 and 4 of the Order.
- 10. As required by Section 143(3) of the Act, we report that:
 - we have sought and 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 it 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;
 - In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. On the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014(as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 22to the financial statements
 - The Company does not have material foreseeable losses in any longterm contract and the Company has not entered in to any derivative contract.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Pune, 12th May, 2015

Prasad V. Paranjape Partner Membership Number 047296

Annexure to the Auditor's Report referred to in para 9 of our report of even date:

- 1 (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
- 2 (a) The Management has conducted physical verification of inventory at reasonable intervals during the year.
 - (b) Procedures of the physical verification inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of the business.
 - (c) The Company is maintaining proper records of inventory and as per information and explanation given to us, no material discrepancies were found on such verification
- 3 There are no companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii) of the Companies (Auditors Report) Order, 2015 are not applicable to the Company.
- 4 In our opinion and according to the information and explanations given to us, the Company is having an adequate internal control system commensurate with the size and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. On the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across, nor have we been informed of, any continuing failure to correct any major weaknesses in the aforesaid internal control system.
- 5 The Company has not accepted any deposits within the meaning of Section 73 of the Act and rules framed there under.
- 6 The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- 7 (a) According to the records of the Company and information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, Sales tax, Wealth tax and service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues with the appropriate authorities.

- (b) According to the information and explanations given to us and records of the Company examined by us, there are no dues of income tax, sales tax, wealth tax, service -tax, duty of excise, duty of customs, value added tax, and cess which have not been deposited on account of any dispute.
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 8 The Company's accumulated losses at the end of the financial year 2014-15, have exceeded fifty per cent of its net worth. The Company has incurred cash loss in the current and immediately preceding financial year.
- 9 Based on the records examined by us and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the Balance Sheet date.
- 10 According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of clause 3(x) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- 11 In our opinion, and according to the information and explanations given to us, during the year, no term loans have been obtained by the Company.
- 12 During the course of our examination of the books of accounts carried out in accordance with generally accepted and auditing practices in India, we have neither come across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such case by the Management.

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

Place: Pune Date: May 12th, 2015 Prasad V. Paranjape Partner Membership Number 047296

Balance Sheet as at March 31, 2015

Profit and loss statement for the year ended March 31, 2015

Par	ticulars	Note No	Amount Rs. As at March 31,2015	Amount Rs. As at March 31,2014
I.	EQUITY AND LIABILITIES			
	1. Shareholders' funds			
	a. Share capital	1	20,00,00,000	20,00,00,000
	b. Reserves and surplus	2	(10,36,88,557)	(8,25,38,419)
			9,63,11,443	11,74,61,581
	2. Non-current liabilities			
	a. Other Long-term liabilities	3	-	2,39,937
	b. Long-term provisions	4		
			-	2,39,937
	3. Current liabilities			
	a. Trade payables	5	1,35,10,945	46,69,675
	b. Other current liabilities	6	7,41,00,001	2,02,16,019
	c. Short-term provisions	7	1,87,08,027	2,67,18,053
			10,63,18,973	5,16,03,747
	TOTAL		20,26,30,416	16,93,05,265
п	ASSETS 1. Non-current assets	_		
	a. Fixed assets	8		
	i. Tangible assets		5,26,554	5,08,294
	ii. Intangible assets		1,88,955	64,610
	 iii. Capital work-in-progress iv Intangible assets under development 		-	-
	b. Deferred Tax Asset (net)	9	-	-
	c. Long-term loans and advances	10	34,54,789	95,03,031
	d. Other non-current assets	11	1,49,800	
			43,20,098	1,00,75,935
	2. Current assets			
	a. Current investments	12	2,26,06,643	1,45,87,706
	b. Inventories	-	1,10,24,369	-
	c. Trade receivables	13	48,41,856	3,15,91,165
	d. Cash and bank balances	14	11,97,37,227	10,97,31,336
	e. Short-term loans and advances	15	3,72,32,131	1,42,359
	f. Other current assets	16	28,68,093	31,76,764
			19,83,10,319	15,92,29,330
	TOTAL		20,26,30,416	16,93,05,265
Not	es to the financial statements	22		

			Amount Rs.	Amount Rs.
Parti	culars	Note No	Current Year	Previous Year
I	Revenues from operations	17	88,08,503	16,71,72,916
Π	Other income	18	2,15,79,315	1,11,45,107
Ш	Total Revenue (I+II)		3,03,87,818	17,83,18,023
IV	Expenses :			
	Cost of Traded Goods			
	Purchases of Stock-in-Trade	19	1,49,69,893	12,71,94,236
	Changes in inventories	19	(1,10,24,369)	-
	Employee benefits	20	2,81,39,191	2,92,40,277
	Finance costs	-	-	-
	Depreciation and amortisation		1,80,621	6,40,013
	Other expenses	21	1,92,72,619	2,57,37,802
	Total Expenses		5,15,37,956	18,28,12,328
V	Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)		(2,11,50,138)	(44,94,305)
VI	Exceptional items		-	-
VII.	Profit / (Loss) before extraordinary items and tax (V - VI)		(2,11,50,138)	(44,94,305)
VIII	Extraordinary Items		-	-
IX	Profit / (Loss) before tax (VII- VIII)		(2,11,50,138)	(44,94,305)
Х	Tax expense:			
	1. Current tax		-	-
	2. Deferred tax		-	-
XI	Profit / (Loss) for the period from continuing operations (IX-X)		(2,11,50,138)	(44,94,305)
XII	Profit / (Loss) for the period		(2,11,50,138)	(44,94,305)
XIII	Earning per equity share (Refer note no 1.12 of Notes 22)			
	1. Basic & Diluted		(1.06)	(0.22)
	2. Face Value		10	10
Notes	to the financial statements	22		

The accompanying notes are an integral part of the financial statements. The accompanying notes are an integral part of the financial statements.

As per our report of even of	late	For and on behalf of the Boa	ard	
For B.K.Khare & Co.		Pheroz Pudumjee	Ravinder Advani	Torsten Andersch
Chartered Accountants		Director	Director	Director
Firm Registration No 1051	102W			
Prasad V. Paranjape	Mahesh Kulkarni	Ravi Shewade	Manohar Kansara	Mahesh Kakade
Partner	Manager	Manager	CFO	Company Secretary
Membership No. 047296				

Pune: 12th May, 2015

Pune: 12th May, 2015

Notes to Financial Statements

Particulars Note 1 Share capital Equity Share Capital	Amount Rs. As at March 31,2015	Amount Rs. As at March 31,2014
Authorised 5,00,00,000 (Previous Year: 5,00,00,000) Equity Shares of Rs 10 each.	50,00,00,000	50,00,00,000
Issued and fully paid - up 2,00,00,000 (Previous Year: 2,00,00,000) Equity Shares of Rs 10 each fully paid - up	20,00,00,000	20,00,00,000

a) Reconciliation of shares at the beginning and at the end of the reporting period :

	March 2015		March 2014		
	Nos	Amt Rs	Nos	Amt Rs	
At the beginnning of the period	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000	
Issued during the year Outstanding at the end of the period	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000	

b) Term / rights attached to equity shares :

The Company has only one class of equity shares having at par value of Rs 10 per share. Each holder of equity shares is entitled to vote per share. Whenever the Company declares and pays dividend it will be in Indian Rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates : 51% of the equity shares are held by Thermax Ltd, holding company.

d) Details of share holding more than 5% shares in the Company :

	Marc	h 2015	Marcl	h 2014
Equity share of Rs 10 each fully paid up -				
- Thermax Limited				
(along with 6 nominee shareholders)	51%	10200000	51%	10200000
- SPX Netherlands B.V.				
(along with 1 nominee shareholder)	49%	9800000	49%	9800000
Note 2				
Reserves and Surplus				
Balance in Profit and Loss account :				
Per Last Balance Sheet		(8,25,38	,419) (7,	,80,44,114)
Profit / (Loss) for the year		(2,11,50	.138) (44,94,305)
TOTAL		(10,36,88	<u>,557)</u> (8,	25,38,419)

Note 8

Fixed assets

(Refer Note No. 1.1 c & d)

	Amount Rs.	Amount Ks.
	As at	As at
	March	March
Particulars	31,2015	31,2014
Note 3		
Other Long-term liabilities		
Trade payables	-	2,39,937
(Refer Note 1.3 of Notes 22)		
TOTAL		2,39,937
Note 4		
Long-term provisions		
Long Term Employee Benefits	-	-
Provision for Warranty	-	-
Provision for Liquidated damages		
TOTAL		
Note 5		
Trade payables		
Trade payables	1,35,10,945	46,69,675
(Refer Note 1.3 of Notes 22)		
Acceptances		
TOTAL	1,35,10,945	46,69,675
Note 6		
Other current liabilities		
Contracts in Progress	-	5,50,000
(Refer Note 1.7 of Notes 22)		
Customer Advances	4,99,00,600	3,13,200
Other Liabilities	2,41,99,401	1,93,52,819
TOTAL	7,41,00,001	2,02,16,019
Note 7		
Short-term provisions		
Short Term Employee Benefits	44,36,766	49,39,681
Gratuity Current Liability	5,29,093	2,90,931
(Refer Note No. 1.9 of Notes 22)		
Provision for Liquidated damages	-	66,86,200
Provision for Warranty	1,12,26,680	1,11,46,600
(Refer Note 1.13 of Notes 22)		
Others	25,15,488	36,54,641
TOTAL	1,87,08,027	2,67,18,053

Amount Rs.

Amount Rs.

										Amount Rs.
		GROSS	BLOCK			DEPREC	IATION		NET BLOCK	
	Balance as	Additions	Deductions /	Balance as	Upto 31st	Depreciation	Deductions /	Total as on	As at 31st	As at 31st
Asset Block	on 1st April	during the	adjustments	on 31st Mar	March 2014	for the year	adjustments	31st Mar	Mar 2015	March 2014
	2014	Year	during the	2015			during the	2015		
			year				year			
Tangible Assets :										
Computers	19,80,242	-	-	19,80,242	18,84,077	-	-	18,84,077	96,165	96,165
Office,Equipments	58,135	-	-	58,135	55,230	-	-	55,230	2,905	2,905
Furniture,&,Fixtures	41,963	-	-	41,963	39,865	-	-	39,865	2,098	2,098
Plant,&,Machinery		1,73,226	-	1,73,226	-	41,904	-	41,904	1,31,322	-
Vehicles	7,53,746	-	-	7,53,746	3,46,620	1,13,062	-	4,59,682	2,94,064	4,07,126
Intangible Assets :										
Software	7,95,434	1,50,000	-	9,45,434	7,30,824	25,654	-	7,56,479	1,88,955	64,610
Total	36,29,520	3,23,226	-	39,52,746	30,56,616	1,80,621	-	32,37,237	7,15,509	5,72,904
Previous year	46,88,785	-	10,59,265	36,29,520	29,20,131	6,40,013	5,03,528	30,56,616		

Notes to Financial Statements

	Amount Rs.	Amount Rs.
	As at	As at
Particulars	March 31,2015	March 31,2014
Note 9	01,2010	01,2011
Deferred Tax Asset (net)		
Deferred Tax Liabilities on Unabsorbed Depreciation Less: - Deferred Tax Assets on Business Loss	-	1,18,464 (1,18,464)
(Recognised to the extent of Deferred Tax Liabilities)	-	(1,10,404)
TOTAL		-
Note 10		
Long-term loans and advances		
Unsecured, considered good		
Security Deposits Advances to Staff and Workers	30,45,000	30,45,000
Balances with Central Excise & Customs account	1,83,750	2,22,750 60,19,701
Other loans and advances	2,26,039	2,15,580
TOTAL	34,54,789	95,03,031
Note 11		
Other non-current assets		
Long Term Trade Receivables		
Unsecured Considered good	1,49,800	-
Others TOTAL	1 /0 800	
IUIAL	1,49,800	
Note 12		
Current Investments Investments in Mutual Funds		
(i) Nil (Previous Year 50,092.758) units of ICICI	-	50,11,991
Prudential Liquid Fund Daily dividend plan - Dividend re-investment		
(ii) Nil (Previous Yearr 8892.106) units of UTI	-	95,75,715
Floating Rate Fund STP Daily dividend plan -		
(iii) 5092.0499 (Previous Year Nil) units of	62,26,610	-
Kotak Liquid Scheme Plan A - Dividend re-	- , -,	
investment (iv) 81,661.477 (Previous Yr Nil) units of ICICI	81,77,866	
Prudential Money Market Fund - Dividend	01,77,000	
Reinvestment (v) 8045.713 (Previous Year Nil) units of UTI	92 02 169	
(v) 8045.713 (Previous Year Nil) units of UTI Liquid Cash Institutional Daily dividend plan	82,02,168	-
- Dividend re-investment		
TOTAL	2,26,06,643	1,45,87,706
Aggregate value of quoted investments		
- Cost	2,26,06,643	1,45,87,706
- Market value (NAV)	2,26,06,643	1,45,88,012
Note 13		
Trade Receivables		
Unsecured trade receivable outstanding for a period exceeding six month		
Considered good	33,20,000	1,00,39,454
Considered doubtful	-	-
Less : Provided for Other trade receivable	15,21,856	2,15,51,712
TOTAL	48,41,856	3,15,91,165
Note 14		
Cash and bank balances		
Balances with banks		
- In Current Account	27,37,227	17,31,336
 Deposit with more then 12 month in maturity Deposit others 	- 11,70,00,000	- 10,80,00,000
Cash on hand	-	
TOTAL	11,97,37,227	10,97,31,336
		-

	Amount Rs. As at March	Amount Rs. As at March
Particulars Note 15	31,2015	31,2014
Short-term loans and advances		
Unsecured, considered good		
Advances recoverable in cash or in kind or for value to be received	-	-
Advances to Suppliers	3,70,67,514	-
Security Deposits Advances to Staff and Workers	39,000	39,000
Others	1,25,617	1,03,359
TOTAL	3,72,32,131	1,42,359
Note 16		
Other current assets		
Contracts in Progress	6,54,000	-
(Refer Note 1.7 of Notes 22)		
Interest accrued but not due	1,58,522	1,92,227
Advance Payment of Income Tax & TDS Other current assets	20,55,571	29,84,537
TOTAL	28,68,093	31,76,764
Particulars	Amount Rs. Current Year	Amount Rs. Previous Year
Note 17		
Revenue from operations		
A. Sales (i) Domestic	46,48,000	15,91,43,060
Add : Closing Contracts in Progress	6,54,000	15,91,45,000
Less : Opening Contracts in Progress	-	-
(i)	53,02,000	15,91,43,060
(ii) Exports	52 02 000	-
(i) + (ii) B. Sale of services	53,02,000	15,91,43,060
(i) Domestic	21,70,000	77,30,000
(ii) Exports	11,77,239	
C. Other operating revenues	33,47,239	77,30,000
C. Other operating revenues Commission	_	
Exchange Difference Income	-	-
Miscellaneous Income	1,59,264	2,99,856
	1,59,264	2,99,856
D. Less: Excise duty TOTAL(A + B + C - D)	88,08,503	16,71,72,916
101AL(A + B + C - B)		10,71,72,910
Note 18		
Other income	4 00 00 000	
Interest Income	1,03,33,880	81,61,719
(Tax Deducted at Source Rs. 10 33 389 Previous Year 8 16 174)		
Dividend on current investments	10,34,234	29,83,388
(net of expenses directly attributable to such income)		
Excess Provision written back	1,02,11,200	-
TOTAL	2,15,79,315	1,11,45,107
Note 19		
Cost of Traded Goods		
Cost of Traded Goods		
Opening Stocks	-	-
Add: Purchases (Trading purchases)	1,49,69,893 1,49,69,893	$\frac{12,71,94,236}{12,71,94,236}$
Less: Closing Stocks	1,10,24,369	
TOTAL	39,45,524	12,71,94,236
-		

Notes to Financial Statements

Particulars	Amount Rs.	Amount Rs. Previous Year
Note 20	Current year	r revious tear
Employee Benefits Expense		
Salaries and wages	2,48,73,597	2,59,77,631
Contribution to provident and other funds	25,82,503	25,69,866
Gratuity	2,82,872	2,02,329
(Refer Note no.1.9 of Notes 22)	_,0_,0/_	2,02,029
Staff welfare expenses	4,00,219	4,90,451
TOTAL	2,81,39,191	2,92,40,277
Note 21		
Other Expenses		
Power and Fuel	7,55,716	8,65,541
Drawing, Design and Technical Service Charges	5,57,310	8,58,883
Site Expenses and Contract Labour Charges	2,06,821	2,67,731
Rent, Rates & Taxes	51,30,368	56,33,334
Repairs and Maintenance:		
Building	5,65,133	6,31,900
Plant and Machinery	-	-
Others	1,03,772	27,562
Communication	4,06,325	4,45,986
Traveling and Conveyance	21,48,975	26,49,223
Advertising and Exhibition Expenses	6,16,553	4,60,443
Bank Charges	34,695,	6,150
Legal & Professional Charges	4,40,207	4,55,210
(Refer Note No. 1.4 of Notes 22)		
Printing and Stationery	67,457	85,204
Liquidated Damages	-	34,57,000
Warranty Expenses	1,50,080	49,88,400
Royalty	-	37,91,882
Other Selling and Distribution Expenses	63,765	1,69,327
Net gain or loss on foreign currency transaction and translation	18,904	1,50,346
Loss on Assets sold/discarded (net)	-	1,20,739
Service Tax Setoff Not eligible	75,42,438	2,83,462
Miscellaneous Expenses	4,64,101	3,89,479
TOTAL	1,92,72,619	2,57,37,802

Note 22

1.1 Significant Accounting Policies

a) Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India. The company has prepared these financial statements to comply in all material respect with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in preparation of financial statements are consistent with those of previous year.

b) Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses for the reported period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

c) Fixed Assets - Tangible and Intangible

- Tangible assets are stated at cost (net of refundable taxes or levies) and include any other attributable cost for bringing the assets to working condition for their intended use.
- Expenditure incurred on acquisition or, as the case may be, on development of software, on research and development and other intangibles is recognised as an Intangible Asset if it is expected that such asset will generate future economic benefit that is not less than its carrying cost.

d) Depreciation

 Depreciation on all tangible assets is provided by the Straight Line method. The management has carried out an estimation of the useful lives of fixed assets based on internal and external technical evaluation. Based on such evaluation, in respect of the following categories of fixed assets, useful life differs from that specified in the Schedule II to the Companies Act 2013 :

Assets Category	Company's Estimate of Useful life
Vehicle	6.33 Years
P&M(Tools)	3 Years

i. Intangible assets are amortised by straight line method over estimated useful life of such asset.

e) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary in nature, in the carrying amount of such long term investments.

f) Inventories

Inventories are valued at lower of cost and estimated net realisable value.

g) Employee Benefits

Provident Fund

Liability on account of the company's obligation under the employee's provident fund, a defined contribution plan, is charged to the statement of profit and loss on the basis of the statutory liability to contribute.

Notes to Financial Statements

Superannuation Fund

Liability on account of the company's obligation under the employees' superannuation fund, a defined contribution plan, is charged to the statement of profit and loss on the basis of the plan's liability to contribute.

Gratuity

- Liability on account of the company's obligation under the employee gratuity plan, a defined benefit plan, is provided on the basis of actuarial valuation at the balance sheet date.
- Fair value of plan assets, being the fund balance on the balance sheet date with Life Insurance Corporation under group gratuity-cum-life assurance policy is recognized as asset.
- iii. Current service cost, interest cost and actuarial gains and losses are charged to profit and loss account.
- Past service cost/effect of any curtailment or settlement is charged/ credited to the profit and loss statement, as applicable.

Compensated Absences

Liability on account of the company's obligation under the employee's leave policy is charged to the statement of profit and loss at the undiscounted amount of such liability calculated with reference to leave earned but not availed of as at the balance sheet date.

Medical and Leave Travel Assistance benefits

Liability on account of the company's obligation under the employee's medical reimbursement scheme and leave travel assistance is charged to the statement of profit and loss at the undiscounted amount of such liability.

Bonus & Short Term Incentive Plan

Liabilities on account of the company's obligations under statutory regulations, agreement with trade unions and employees' short term incentive plan, as applicable, are charged to the statement of profit and loss at the undiscounted amount of each liability.

h) Provisions and Contingent Liabilities

Provisions in respect of present obligations arising out of past events are made when reliable estimates can be made of those.

The company provides for warranty obligations on substantial completion of contracts based on technical evaluation and past experience.

Contingent Liabilities are disclosed by way of note to the financial statements, after careful evaluation by the management of the facts and legal aspects of the matter involved.

j) Revenue Recognition

Revenue in respect of products is recognised on dispatch of goods to customers or when they are unconditionally appropriated to the concerned contracts.

Revenue in respect of Project for supply and supervision of erection and commissioning work; execution of which is spread over different accounting periods, is recognized on the basis of percentage of completion method.

Stage of completion is determined by the proportion that contract costs incurred for work done till date bears to the estimated total contracts cost.

Difference between costs incurred plus recognized profits / less recognized losses and the amount of invoiced sale is disclosed as contract in progress.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the company, some of which are of a technical nature, concerning where relevant, the percentage of completion, costs to completion, the expected revenue from the contract (adjusted for probable liquidated damages, if any) and the foreseeable losses to completion.

Supply of spare parts and services are accounted for on 'as billed' basis.

Dividend from investments is recognized when the company's right to receive is established. Interest income is accounted on time proportion basis.

k) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the respective dates of the transactions.

Exchange difference on settlement of transactions in foreign currencies are recognised in the statement of Profit & Loss statement.

l) Taxes on Income

Current taxes are provided on the basis of estimated tax liability, Computed as per applicable provisions of the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence in respect if deferred tax assets, on timing differences, being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

The carrying amount of deferred tax assets is reviewed at each reporting date. The company writes down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized.

m) Others

Liability for liquidated damages is recognized when it is deducted / claimed by the customer or when a reasonable estimate of the likely obligation can be made.

1.2 Contingent Liabilities

There are no contingent liabilities as on March 31, 2015. (Previous year Nil).

1.3 Micro Small & Medium Enterprises

Micro & Small scale enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 have been identified to the extent of information available with the company. This has been relied upon by the auditors.

(Amounts in Runees)

	(Amounts in Rupees)						
S.	Particular	2	014-15			2013-14	
No.		Principal	Interest	Total	Principal	Interest	Total
a	Total outstanding dues to Micro Small and Medium enterprises	Nil	Nil	Nil	Nil	Nil	Nil
b	Principal amount and interest due thereon remaining unpaid as at end of the year	Nil	Nil	Nil	Nil	Nil	Nil
с	Amount of interest paid in terms of sectioin 16 of MSMED Act, along with the amount of the payment made to supplier beyond appointed day	Nil	Nil	Nil	106,79,910	45,931	107,25,841
d	Outstanding Interest (where principal amount has been paid off to the supplier but interest amount is outstanding as on March 31)	Nil	Nil	Nil	Nil	Nil	Nil

Notes to Financial Statements

						(Amour	nts in Rupees)
S.	Particular	2	014-15			2013-14	
No.		Principal	Interest	Total	Principal	Interest	Total
e	Total Interest outstanding as on March 31 (Interest in 'b' + interest in 'd' above)	Nil	Nil	Nil	Nil	Nil	Nil

1.4. Legal & Professional charges include Audit Fee

Particulars	2014-15	2013-14
	Rs	Rs
i. Audit Fees	50,000	50,000
ii. Tax Audit Fees	10,000	10,000
iii. VAT Audit Fees	10,000	10,000

Above figures are exclusive of service tax.

1.5. Consumption of Traded Goods etc.

Particulars	Unit	2014 – 15 Rs	2013 – 14 Rs
Fabricated Items	Numerous	15,95,637	9,12,26,836
Mechanical / Electrical bought-out items	Numerous	12,93,745	2,47,13,696
Other	Numerous	10,56,142	1,12,53,704
Total		39,45,524	12,71,94,236

1.6. Transactions in foreign currency (on accrual basis)

Particulars	2014-15 Rs	2013-14 Rs
Earnings in Foreign Currency		
Reimbursement of expenses	5,29,204	6,01,806
Export Service	11,77,239	Nil
Expenditure in foreign currency		
Foreign Travel Expenses	Nil	99,221
Drawing, Designing, Engineering & Professional Services	Nil	Nil
Royalty	Nil	37,91,882
Total Expenditure	Nil	38,91,103

1.7 Contracts In Progress (CIP)

Particular	2014-15 Rs	2013-14 Rs
a) Aggregate amount recognised as Contract Revenue (RR) for the year	43,22,000	16,57,30,000
b) In respect of Contract in Progress as on 31st March		
 Aggregate amount of cost incurred and recognised profits(less recognised losses) (Including amounts carried forward from previous years) 	21,51,701	77,30,000
2) Amount of Customer Advance Received	4,99,00,600	3,13,200
3) Amount of Retentions	1,49,800	8,28,000
c) Gross amount due from customers for contract work	6,54,000	-
d) Gross amount due to customers for contract work	-	5,50,000

1.8. Estimated amount of contracts remaining to be executed on capital account (net of capital advance) and not provided for Rs. NIL (*Previous Year Rs Nil*).

1.9 Defined benefit Plans for employees (AS 15)

As per Actuarial valuation as on March 31, 2015 and recognized in financial statements in respect of Gratuity scheme:

	(Amounts in Rupees)					
Sr.	Particulars 2014-15 2013-14 2012-13 201					
No.	Particulars	2014-15	2013-14	2012-13	2011-12	
1	Components of Employer Expense					
a)	Current Service Cost	376,644	365,190	364,050	367,268	
b)	Interest Cost	122,107	99,439	86,163	18,106	
c)	Expected Return On plan assets	(100,621)	(81,018)	(53,042)	(33,439)	
d)	Net Actuarial (gain) / loss recognised in	(115,258)	(181,282)	(218,707)	52,721	
	the year					
e)	Past Service Cost	-	-	-	-	
f)	Expenses Recognised in the statement of Profit & Loss	282,872	202,329	178,464	404,656	
2	Net Assets / (Liability) recognized in Balance Sheet as at 31st March 2015					
a)	Present Value Of Obligation	1,995,093	1,526,333	1,242,986	652,895	
b)	Fair Value Of Plan Assets	1,466,000	1,235,402	871,066	505,819	
c)	Liability / (assets)	529,093	290,931	371,920	147,076	
d)	Unrecognised Past Service Cost	-	-	-	-	
e)	Liability / (asset) recognised in the Balance Sheet	529,093	290,931	371,920	147,076	
3	Changes in Gratuity Obligation during the year					
a)	Present Value Of obligation Beginning Of The Period	1,526,333	1,242,986	652,895	226,328	
b)	Acquisition Adjustment	-	-	360,785	-	
c)	Interest Cost	122,107	99,439	86,163	18,106	
d)	Current Service Cost	376,644	365,190	364,050	367,268	
e)	Past Service Cost	-	-	-	-	
f)	Benefits Paid	-	-	-	-	
g)	Actuarial (gain) loss on Obligation	(29,991)	(181,282)	(220,907)	41,193	
h)	Present Value Of obligation End Of The Period	1,995,093	1,526,333	1,242,986	652,895	
4	Changes in the fair value of Plan Assets					
a)	Fair value of plan Assets Beginning Of The Period	1,235,402	871,066	505,819	259,174	
b)	Expected Return On plan assets	100,621	81,018	53,042	33,439	
c)	Contributions	44,710	283,318	314,405	224,734	
d)	Benefits Paid	-	-	-	-	
e)	Actuarial gain / (Loss) Plan Assets	85,267		-2,200	-11,528	
f)	Fair value of plan Assets End Of The Period	1,466,000	1,235,402	871,066	505,819	
5	Actuarial Assumptions					
a)	Discount Rate	8%	8%	8%	8.50%	
b)	Expected Rate of Return	8%	8%	8%	9%	
6	Amounts for current year and previous year are as follows					
	Present Value of Obligation	1,995,093	1,526,333	1,242,986	652,895	
	Plan Assets	1,466,000	1,235,402	871,066	505,819	
	Surplus/(Deficit)	(529,093)	(290,931)	(371,920)	(147,076)	
	Experience Adjustment on Plan Liabilities	29,991	181,106	(74,244)	(81,641)	
	Experience Adjustment on Plan Assets	85,267	-	(2,200)	(11,528)	
	Classified as Current	529,093	290,931	(371,920)	(147,076)	
	Total	529,093	290,931	(371,920)	(147,076)	
7	Major Category of Plan Assets as a % of total Plan Assets	201	4-15	201	3-14	
	Government Securities (Central & State)	10	0%	10	0%	
8	Defined Contribution Plans amount recognized in the statement of Profit	2014-15		201	2013-14	
	and Loss					
0	Provident fund and other Funds paid		2,503	1	9,866	
9	The Company expects to contribute Rs. 3,24,000/- to Gratuity in FY 2015-16.					

Note: Being Company is incorporated in the FY 09-10; Actuarial valuation data is available for past four years only.

Notes to Financial Statements

1.10. Segment Reporting

Primary Segment

Based on the guiding principle given in the Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company is operating in a single business segment, viz Energy.

Secondary Segment

Secondary segments have been identified with reference to geographical location of external customers. Composition of secondary segments is as follows:

A mounts in Da

a) India

b) Outside India - represents export of Service Revenue

		Amounts in Ks.
Particular	2014-15	2013-14
Revenue		
India	76,31,264	16,71,72,916
Outside India	11,77,239	Nil
Total Revenue	88,08,503	16,71,72,916
Carrying Amount of Segment Assets		
India	20,26,30,416	16,93,05,265
Outside India	Nil	Nil
Addition to Fixed Assets		
India	3,23,226	Nil
Outside India	Nil	Nil

1.11. Related Party Disclosures

Related Party disclosures as required under Accounting Standard 18 issued by the Institute of Chartered Accountants of India are given below:

a) List of related parties and description of relationships:

Parties where control exists:
RDA Holdings Pvt. Ltd Ultimate Holding Company
Thermax Limited - Holding Company
Fellow Subsidiary
Thermax Engineering Construction Company Limited
Thermax Instrumentation Limited
Thermax Sustainable Energy Solutions Limited
Thermax Onsite Energy Solutions Ltd.
Thermax International Limited (Mauritius)
Thermax Hong Kong Limited (Hong Kong)
Thermax Europe Limited (U.K.)
Thermax Inc. (U.S.A)
Thermax (Zhejiang) Cooling and Heating Engineering Co.Limited (China)
Thermax do Brasil Energia e Equipametos Ltda. (Brazil)
Thermax Netherlands B.V. (Netherlands)
Thermax Denmark ApS (Denmark)
Danstoker A/S (Denmark)
Omnical Kessel- und Apparatebau GmbH (Germany)
Ejendomsanpartsselskabet Industrivej Nord 13 (Denmark)
Rifox- Hans Richter GmbH (Germany)
Thermax SDN BHD. (Malaysia)
Boilerworks A/S (Denmark)
Boilerworks Properties ApS (Denmark)
Thermax Engineering Singapore Pte Ltd
PT Thermax International Indonesia - (Step down subsidiary of Thermax Engineering Singapore Pte Ltd).
Thermax Senegal SARL -

(Step down subsidiary of Thermax International Ltd., Mauritius).

Fellow Joint Venture Subsidiary

Thermax Babcock & Wilcox Energy Solutions Pvt. Ltd. (India)

Party having substantial interest:

SPX Netherlands BV

Balcke Durr GmbH

SPX Cooling Technologies, USA

SPX Cooling Technologies, Belgium

b) Key Management Personnel

Mr. Mahesh Kulkarni - Manager

Mr. Ravi Shewade - Manager

c) Transactions with the Related Parties

The following transactions were carried out during the year with related parties in the ordinary course of business. Amounts in Rs.

S	Particular	2014-15	2013-14
No.			
1	Sales & Services		
	Sales of Goods		
	Thermax Ltd.	31,50,000	15,86,00,060
	Rendering of Services		
	Thermax Instrumentation Ltd.	16,20,000	82,80,00
	Balcke Durr GmbH	11,77,239	
2	Expenses		
	Office Rent (Thermax Ltd)	55,13,000	60,84,00
	Royalty	Nil	37,91,88
3	Reimbursement of Expenses (Net)		
	Thermax Ltd	21,58,329	20,59,34
	SPX Cooling Technologies, USA	(5,29,204)	(6,01,806
	Thermax Babcock & Wilcox Energy	5,70,122	4,60,44
	Solutions Pvt. Ltd.		
4	Advances received during the year		
	Thermax Ltd.	3,69,70,000	Ni
	Thermax Instrumentation Ltd.	Nil	9,90,00
5	Amount Outstanding – Receivable		
	Accounts Receivable		
	Thermax Ltd.	33,20,000	2,49,89,46
	SPX Cooling Technologies, USA	3,86,574	1,47,29
	Thermax Instrumentation Ltd.	Nil	58,31,36
6	Deposit Given		
	Thermax Ltd	30,42,000	30,42,00
7	Amount Outstanding - Advances, Payable		
	Advances Outstanding		
	Thermax Ltd.	3,69,70,000	Ni
	Thermax Instrumentation Ltd.	Nil	3,13,20
	Accounts Payable / Other Payable		
	Thermax Ltd	3,37,24,327	1,82,25,42
8	Guarantees and Collaterals Thermax Ltd	68,00,000	N
9	Transactions with KMP		
	Salary	35,22,610	53,29,78

1.12 Earning Per Share (EPS)

Earning per share calculated in accordance with Accounting Standard 20 issued by the Institute of Chartered Accountants of India:

Particulars	2014-15	2013-14
	Rs	Rs
Net Profit/(Loss) available for shareholders	(2,11,50,138)	(44,94,305)
Weighted average number of Equity Shares of Rs. 10 each	2,00,00,000	2,00,00,000
Basic and diluted earning per share (face value of Rs 10 each)	(1.06)	(0.22)
Face Value of Share	10	10

Notes to Financial Statements

1.13 Warranty Movement

During the year movement in warranty provision is as follows:-

Particulars	2014-15	2013-14
	Rupees	Rupees
Opening Balance	1,11,46,600	61,58,200
Addition during the year	1,50,080	49,88,400
Utilisation during the year	70,000	Nil
Closing Balance	1,12,26,680	1,11,46,600

1.14. In case where letters of confirmation have been received from parties, book balances have been generally reconciled and adjusted. In other cases, balances in accounts of sundry debtors, sundry creditors and advances or deposits have been taken as per books of accounts.

1.15. Previous year's figures have been regrouped wherever necessary to conform to this year's classification and to comply with Revised Schedule VI requirements.

As per our report of even For B.K.Khare & Co. Chartered Accountants Firm Registration No 105		For and on behalf of the Bos Pheroz Pudumjee Director	ard Ravinder Advani Director	Torsten Andersch Director
Prasad V. Paranjape Partner Membership No. 047296	Mahesh Kulkarni Manager	Ravi Shewade Manager	Manohar Kansara CFO	Mahesh Kakade Company Secretary
Pune: 12th May, 2015		Pune: 12 th May, 2015		

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Cash Flow Statement for the year

	ticulars	2014-15 Rupees	2013-14 Rupees
Α	Cash flow from Operating Activities		
	Net Profit / (Loss) before tax	(2,11,50,138)	(44,94,305)
	Add: Adjustments for		
	Depreciation	1,80,621	6,40,013
	Provision for LD	(66,86,200)	34,57,000
	(Profit) / Loss on Sale of Assets	-	1,20,739
	Other Income :		
	Interest received	(1,03,33,880)	(81,61,719)
	Dividend Received	(10,34,234)	(29,83,388)
	Net gain on sale of current investments	-	-
	Less: Adjustments for		
	Operating profit before working capital changes	(3,90,23,831)	(1,14,21,659)
	Adjustments for		
	Trade Receivables	3,34,35,509	(1,07,24,246)
	Other Non current assets	(1,49,800)	-
	Inventory	(1,10,24,369)	-
	Other Short term Loans & advances	(3,70,89,772)	91,158
	Long term Loans & advances	60,48,243	(14,39,114)
	Other Current Assets	3,08,670	56,325
	Trade payables	88,41,270	41,38,591
	Short Term Provisions	(80,10,026)	88,06,466
	Other Current Liabilities	5,38,83,982	(1,89,58,196)
	Other Long term liabilities	(2,39,937)	(10,61,823)
	Long term Provisions	-	-
	Cash generated from operations	69,79,939	(3,05,12,499)
	Direct taxes paid	-	-
	Net cash flow from operating activities (A)	69,79,939	(3,05,12,499)
В	Cash flow from Investing activities		
	Sale of Tangible Assets	-	4,34,998
	Purchases of Tangible Assets	(1,73,226)	-
	Purchases of Intangible Assets	(1,50,000)	-
	Purchase investments	(8,43,48,017)	(4,37,51,135)
	Proceeds from Sale / Redemption of investments	7,63,29,080	7,10,63,824
	Interest received	1,03,33,880	81,61,719
	Dividend Received	10,34,234	29,83,388
	Investment in Bank FD	(90,00,000)	(2,66,08,998)
	Net Cash Flow from Investing activities (B)	(59,74,048)	1,22,83,796
С	Cash flow from Financing Activities		-
	Proceeds from issue of Share Capital/application	-	-
	Net cash from in Financing activities (C)	-	-
	Net (decrease)/increase in cash & cash equivalents (A + B + C)	10,05,891	(1,82,28,703)
	Opening cash & bank balances	17,31,336	1,99,60,039
	Closing cash & bank balances	27,37,227	17,31,336
	Balance in Current Account	27,37,227	17,31,336
	Fixed Deposits Less than 12 months	21,31,221	17,51,550
	Net Cash Flow	10,05,891	(1,82,28,703)

Note:- Bank FD maturing after 3 months are considered as Investment and not included in Cash & Cash equivilent in above Cash Flow.

As per our report of even d	ate	For and on behalf of the Boa	ard	
For B.K.Khare & Co.		Pheroz Pudumjee	Ravinder Advani	Torsten Andersch
Chartered Accountants		Director	Director	Director
Firm Registration No 105102W				
Prasad V. Paranjape	Mahesh Kulkarni	Ravi Shewade	Manohar Kansara	Mahesh Kakade
Partner	Manager	Manager	CFO	Company Secretary
Membership No. 047296				

Pune: 12th May, 2015

Pune: 12th May, 2015

Board of Directors

Meher Pudumjee-Chairperson M. S. Unnikrishnan Joseph Randall Data RavinderAdvani Rodney Carlson D. Paul Scavuzzo Amitabha Mukhopadhyay

Key Managerial Personnel

Deepak Chopra Chief Executive Officer

Devang Trivedi Company Secretary

Registered Office

Dhanraj Mahal, 2nd Floor, Chhatrapati Shivaji Maharaj Marg, Near Regal Cinema,Colaba, Mumbai- 400039. Maharashtra, INDIA.

Corporate Office

Survey No. 152/153, PMT Complex, Behind PCMC Office Building, Old Mumbai Pune Road, Pimpri, Pune – 411 018.

Manufacturing Facility

Plot No. A-2 & A-3, Khandala Industrial Area, Phase-I, MIDC, Village Kesurdi, Tal-Khandala, Dist. Satara-412802, Maharashtra.

Auditors

B. K. Khare& Co. 706/708, Sharda Chambers, New Marine Lines, Mumbai – 400020.

Bankers

ICICI Bank Ltd. State Bank of India

DIRECTORS' REPORT

Dear Shareholder,

Your Directors present their Fifth Annual Report together with of your company for the year ended March 31, 2015.

FINANCIAL RESULTS

		(Rs. in lacs)
Particulars	2014-2015	2013-2014
Total income	4620	1654
Profit/(Loss) before depreciation & amortisation	(7854)	(4062)
Depreciation & Amortisation	(4515)	(1248)
Profit /(Loss) before tax	(12369)	(5310)
Provision for taxation (incl. deferred tax)	Nil	Nil
Profit/ (Loss) after tax	(12369)	(5310)

PERFORMANCE

During the year, the company received orders from its American promoter for detailed designing and manufacturing of boiler pressure parts, sublet fabrication of non-pressure parts and procurement of certain engineered equipment. These orders are for export jobs and include two coal fired sub-critical utility boilers, one supercritical boiler and two biomass fired boilers. The company has added necessary skills to execute this work. The manufacturing plant has been proven and it is now fully operational. The major part of this work is expected to be completed during FY16.

The market continues to be difficult due to price pressures and most projects being structured as EPC or BTG bids. The scope of boiler island projects has also expanded. The company is actively upgrading skills to cater to expanded scope projects.

HEALTH & SAFETY

The company has implemented a robust safety program and there is a strong focus on Health, Safety and Environment (HSE) front. The use of Personal Protection Equipment (PPE) is a strict requirement. The company has prepared manuals, procedures and work instructions for implementation of OHSAS 18001 and ISO 14001. The LRQA audit for the gap analysis has been completed.

The company has a documented process of reporting accidents, near misses and safe man-hours on a monthly basis. Regular trainings are conducted for all employees periodically on various aspects of the manufacturing process.

DIVIDEND

The Directors do not recommend any dividend for the year.

FINANCE

The company has been sanctioned a Working Capital Term Loan of Rs.130 crore from ICICI Bank, out of which Rs. 60 crore has been drawn during the year.

PUBLIC DEPOSITS

The company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpiad / unclaimed deposit(s) as on March 31, 2015.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the note no. 13 of the Financial Statements.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The company has a Vigil Mechanism in place. However, the Audit Committee of the Company is yet to be constituted in accordance with the provisions of the Companies Act, 2013 and hence providing direct access to the Chairperson of the Audit Committee in exceptional or appropriate cases could not be provided in the said mechanism.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed as "Annexure 1".

BUSINESS RISK MANAGEMENT

The company has instituted proven and established best practices for risk management, taken from its Promoters. It utilizes a structured and documented project risk and opportunity management system to review bids for new business. Risk management and mitigation is an integral part of this process. It also tracks and manages identified risks through periodic reviews during project execution.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The company has an Audit & Risk Committee. It has an internal audit procedure and follows a three year rolling plan duly approved by the Audit & Risk Committee. The internal auditors present the observations and recommendations to the committee for implementation of improvements/ modification of controls as needed. The company also has adequate policies for internal controls. The internal auditors have reviewed the adequacy of internal control systems.

In the opinion of the Auditors there are no findings which have significantly impacted the financial reporting.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Joseph Randall Data, Ravinder Advani and Paul Scavuzzo retires by rotation and being eligible offers, themselves for re-appointment as Directors.

Key Managerial Personnel (KMP)

The Board has appointed following officials as the KMP of the company in accordance with the Companies Act, 2013:

(i) Deepak Chopra - Chief Executive Officer

(ii) Devang Trivedi - Company Secretary

Satish Thombre resigned as the Company Secretary of your company with effect from November 13, 2014. Devang Trivedi is appointed as the Company Secretary with effect from May 14, 2015.

Board Meetings

During the year Board met four times on April 30, 2014, July 18 2014, November 13, 2014 and January 16, 2015. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Board Evaluation

The Remuneration Committee is yet to be reconstituted in alignment with the provisions of the Companies Act, 2013. Upon induction of the Independent Directors on the said Committee, the existing terms of reference shall be modified and the nomenclature shall be changed to 'Nomination and Remuneration Committee'.

Based on the modified mandate of the reconstituted committee, proper evaluation of the Board including Board Members shall take place.

Remuneration Policy

Upon constitution of Nomination and Remuneration Committee, the company in the coming financial year would devise a policy for appointment and remuneration of Directors and Key Managerial Persons. During the year, the company has not paid any remuneration to its Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (3) (c) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, state that

- a) In the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed;
- b) Appropriate accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2015 and of the profit of the company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The annual financial statements have been prepared on a going concern basis;
- e) Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively;

BOARD COMMITTEES

Presently, the Board has following three Committees:

1. Audit & Risk Committee

The Committee comprises -Amitabha Mukhopadhyay, Joseph Randall Data, Ravinder Advani and Rodney Carlson as the Members.

The Committee met four times during the financial year 2014-15 on April 30, 2014, July 18 2014, November 13, 2014 and January 16, 2015. The Statutory Auditors are permanent invitees and attend all the meetings of the Committee.

2. Finance Committee

The Committee comprises four members Amitabha Mukhopadhyay, Joseph Randall Data, Ravinder Advani and Rodney Carlson. The Committee met twice during the year on July 18, 2014 and November 13, 2014.

3. Remuneration Committee

The Committee comprises four members Amitabha Mukhopadhyay, Joseph Randall Data, Ravinder Advani and Rodney Carlson. The terms of reference of the Committee are to review and approve remuneration of the managerial personnel appointed under the Act, from time to time.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the company at large. Summary of transactions with related parties made during the year is annexed herewith as "Annexure 2".

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT - 9 is annexed herewith as "Annexure 3".

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the company and its future operations.

AUDITORS

Statutory Auditors

M/s. B. K. Khare & Co., Chartered Accountants, retire as statutory auditors of the company in the ensuing Annual General Meeting of the company and are eligible for reappointment.

Secretarial Auditor

In accordance with the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/s. SVD & Associates, Company Secretaries, Pune to undertake the Secretarial Audit of the company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure 4".

Management Response to the Secretarial Audit Report

- Considering the business activities of the company, your management has identified and shortlisted suitable profiles for the position of the Independent Directors. The candidate shall be selected upon the concurrence of both the promoters. The management expects these positions to be closed during the current year. Thereafter, requisite committees shall be reconstituted.
- The company has selected its Chief Financial Officer (CFO) who joined the company on May 15, 2015. The appointment of CFO as a Key Managerial Person shall be considered in the forthcoming Board meeting.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their gratitude for the valuable assistance and cooperation extended to the company by its employees, bankers, strategic partners and all the stakeholders. Your Directors look forward to their continued support in the future as well.

For and on behalf of the Board of Directors of Thermax Babcock & Wilcox Energy Solutions Private Limited

Place: Pune Date: : May 15, 2015 Meher Pudumjee Chairperson

ANNEXURE - 1

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

[Section 134(3) (m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

The company has installed auto power factor control (APFC) panel which always maintains unity power factor. This enables the company in getting incentives in MSEDCL bill. The entire demand of compressed air is met by using variable speed A.C. drive based compressor which saves around 40% power (from 2200 kwh/day to 1300 kwh/day).

The company has installed auto switch off system for switching off air circulating fans in shop floor during break hours and weekly offs. This is done in all the three shops.

Internal street lights are LED type which consumes 60% less energy as compared to conventional lamps (95 watts against 250 watts)

Office air conditioners usage and control is exercised through monitors appointed for all offices.

Shop lights are switched off in second and third shifts depending on requirement. Air compressor is also switched off during break hours. This is done by maintenance department.

B. TECHNOLOGICAL ABSORPTION

During the year under review, the employees of the company actively interacted with Babcock & Wilcox Power Generation Co. as a part of the technology transfer arrangements. The interaction was mainly on the areas related to adoption of technology to Indian market concerning coal quality and its impact in design. In addition, there have been ongoing interactions in the course of execution of export contracts received from the Licensor during the year. Several concerned officials from B&W have also visited the company for discussions and reviews. The technology and skills transferred will be fully absorbed upon completion of manufacturing, supply, erection & commissioning of the first set of such boilers for the domestic market.

Expenditure on R&D - Not applicable at this stage.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pertaining to foreign exchange earnings and outgo, under Section 134(3) (m) of the Companies Act, 2013 is given in note no. 3 of Note no. 25 of the Financial Statements.

For and on behalf of the Board of Directors of Thermax Babcock & Wilcox Energy Solutions Private Limited

Place: Pune Date: : May 15, 2015 Meher Pudumjee Chairperson

ANNEXURE 2

FORM NO. AOC-2

[(Pursuant to clause (h) of sub-section (3)of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

(Rs. in Lacs)

Nature of contracts/arrangements/transactions	Name of the related party (Thermax Ltd - Holding Company and Babcock & Wilcox Power Generation Group - party having significant influence)	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any
Services/ jobwork done	Thermax Ltd.		50.00
Consultancy Services obtained	Babcock & Wilcox Power Generation Group		135.00
Purchases	Thermax Ltd.		461.00
Sales	Thermax Ltd.	Various	3,215.00
Personnel cost & other expenses	Babcock & Wilcox Power Generation Group		405.00
Guarantee / Bond / Collateral	Babcock & Wilcox Power Generation Group Thermax Ltd.		6,630.00

For and on behalf of the Board of Directors of Thermax Babcock & Wilcox Energy Solutions Private Limited

Place: Pune Date: May 15, 2015 Meher Pudumjee Chairperson

ANNEXURE 3

FORMNO.MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

I.	CIN	:	U29253MH2010PTC204890
II.	Registration Date	:	26.06.2010
III.	Name of the Company	:	Thermax Babcock & Wilcox Energy Solutions Pvt. Ltd.
IV.	Category / Sub-Category of the Company	:	Private Company / Limited by shares
V.	Address of the Registered office and contact details	:	Dhanraj Mahal, 2nd Floor, Chhatrapati Shivaji Maharaj Marg, Near Regal Cinema, Colaba, Mumbai-400 039
VI.	Whether listed company	:	No
VII.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

SI. No	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of steam or other vapour generating boilers and hot water	25131	100%
	boilers other than central heating boilers		

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the company	CIN/GLN	Holding /Subsidiary/ Associates	% of Shares held	Applicable Section
1	Thermax Limited	L29299MH1980PLC022787	Holding	51	2(46)
	D-13, M.I.D.C. Industrial Area, R.D. Aga Road, Chinchwad, Pune - 411 019				

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders No. of		ares held at th (As on 01	ie beginning o -04-2014)	f the year	No. of Shares held at the end of the year (As on 31-03-2015)				% Change during the
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	year
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govnt(s)	-	-	-	-	-	-	-	-	-
c) State Govnt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	196350000	196350000	51	-	196350000	196350000	51	0
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other (Relative of Director)	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	-	196350000	196350000	51	-	196350000	196350000	51	0
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	188650000	188650000	49	-	188650000	188650000	49	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Sh	ares held at th (As on 01	ne beginning o -04-2014)	of the year	No. of Shares held at the end of the year (As on 31-03-2015)			% Change during the	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	year
Total share holding of Promoter (A)= (A)(1)+(A) (2)	-	385000000	385000000	100	-	385000000	385000000	100	0
B. Public Shareholding									
1. Institution									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs	1								
h) Foreign Venture Capital Funds									
i) Any other									
Sub-total(B)(1):-									
2. Non- Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals					NII				
 i) Individual shareholders holding nominal share capital upto Rs. 1 lakh 					INIL				
ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh									
c) Others (specify)									
- Directors Relative									
- Trusts									
- Foreign Bodies Corporate									
- Foreign Bodies-DR									
- Non Resident Indian									
- HUF									
- Clearing Members									
Sub-total(B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C) Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	-	385000000	385000000	100	-	385000000	385000000	100	0

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)			5	Shareholding at the end of the year (As on 31-03-2015)			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year	
1	Thermax Limited	196350000	51	NIL	196350000	51	NIL	NIL	
2	Babcock & Wilcox India Holdings Inc.	188650000	49	NIL	188650000	49	NIL	NIL	
	TOTAL	385000000	100	NIL	385000000	100	NIL	NIL	

iii) Change in Promoters' Shareholding : NIL

SI No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)			the end of the year 1-03-2015)	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
	At the beginning of the year					
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL				
	At the End of the year					

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NIL

SI. No.	Name of the shareholder	Shareho	Shareholding		Increase / Decrease in shareholding	Reason	Cumulative Share the year (01-04- 201	2014 to 31-03-
		No. of shares at the beginning (01-04- 2014) / end of the year (31-03-2015)	beginning (01-04- 2014) / end of the company				No. of shares	% of total shares of the company
	NIL							

(V) Shareholding of Directors and Key Managerial Personnel: NIL

Sl. No.	Name of the shareholder	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Share the year (01-04-2 2015	2014 to 31-03-
		No. of shares at the beginning (01-04- 2014) / end of the year (31-03-2015)% of total shares of the company					No. of shares	% of total shares of the company
	NIL							

V. INDEBTEDNESS

L

Indebtedness of the Company including interest outstanding /accrued but not due for payment

				Amount in Rs. Lacs
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2014)				
i) Principal Amount	42719.09	-	-	42719.09
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	275.37	-	-	275.37
Total (i+ii+iii)	42994.46	-	-	42994.46
Change in indebtedness during the financial year				
Addition	6000	-	-	6000
Reduction	-	-	-	-
Net Change	6000	-	-	6000
Indebtedness at the end of the financial year (31.03.2015)				
i) Principal Amount	48719.09	-	-	48719.09
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	57.63	-	-	57.63
Total (i+ii+iii)	48776.72	-	-	48776.72

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

		Rs. in Lacs
SI.	Particulars of Remuneration	Manager
no.		(Deepak Chopra)
1.	Gross salary	
	(a) Salary as per provisions contained insection 17(1) of the Income-tax Act, 1961	345
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	25
	(c) Profits in lieu of salary undersection17(3)Income- taxAct,1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission- as % of profit - others, specify	-
5.	Others, please specify (Retrial Benefits)	-
	Total(A)	370

В.	Remuneration to other directors:								
Sl. no.	Particulars of Remuneration		Name of Directors					Total Amount	
1.	Independent Directors			None					
	Fee for attending board / committee meetings								
	Commission]							
	Others, please specify]							
	Total(1)								
2.	Other Non-Executive Directors Directors	Meher Pudumjee	M. S. Unnikrishnan	Joseph Randall Data	Ravinder Advani	Rodney Carlson	D. Paul Scavuzzo	Amitabha Mukhopadhyay	
	Fee for attending board /								
	Committee meetings								
	Commission]							
	Others, please specify]							
	Rent for Premises								
	Security Deposit for Lease Premises				NIL				
	Total(2)]							
	Total(B)=(1+2)]							
	Total Managerial (A+B) Remuneration								
	Over all Ceiling as per the Act								

C. Remuneration to key managerial personnel other than MD/Manager/Whole Time Director

SI. no.	Particulars of Remuneration	Key Managerial Personnel
		Total
1.	Gross salary	
	(a) Salary as per provisions contained in section17(1)of the Income-tax Act,1961	
	(b) Value of perquisites u/s 17(2)Income-taxAct,1961	
	(c) Profits in lieu of salary under section 17(3)Income-taxAct,1961	
2.	Stock Option	NIL
3.	Sweat Equity	
4.	Commission	
	- as% of profit	
	- Others, specify	
5.	Others, please specify (Retrial Benefits)	
	Total	

VII. Penalties /Punishment/ compounding of offences:

Туре	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any (give Details)
a) Company					
Penalty					
Punishment					
Compounding					
b) Directors					
Penalty			NII		
Punishment			NIL		
Compounding					
c) Other Officers in Default					
Penalty					
Punishment					
Compounding					

ANNEXURE 4

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2015

[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Thermax Babcock & Wilcox Energy Solutions Private Limited

Dhanraj Mahal, 2nd Floor, Chhatrapati Shivaji, Maharaj Marg,

Near Regal Cinema, Colaba, Mumbai - 400039.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Thermax Babcock & Wilcox Energy Solutions Private Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder; (in so far as they are made applicable)
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (not applicable to the company during the audit period.)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (not applicable to the company during the audit period.)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (in so far as they are applicable to the Company)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (not applicable to the company during the audit period.)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (not applicable to the company during the audit period.)
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (not applicable to the company during the audit period.)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (not applicable to the company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable to the company during the audit period.)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (not applicable to the company during the audit period.)

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable to the company during the audit period). and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (not applicable to the company during the audit period.)

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (not applicable as on today)
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s), (not applicable to the company during the audit period.)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- The company has not appointed Key managerial personnel as per provisions of the Companies Act 2013 and rules made thereunder.
- 2. The company has not appointed Independent Directors as per provisions of the Companies Act 2013 and rules made thereunder.
- 3. In absence of Independent Director, the Audit Committee and Nomination and remuneration committee has not been duly constituted and terms of reference of the committees are not as per the provisions of the Companies Act 2013 and rules made thereunder.
- 4. The company has Vigil Mechanism in place; however as the Audit committee of the Company is not duly constituted hence providing direct access to the chairperson of the Audit committee in exceptional or appropriate cases could not be provided in the said mechanism.

We further report that

The Board of Directors of the Company is duly constituted only with all Non-Executive Non Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further

Information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Pune Date: 14th May 2015 For SVD & Associates

S. V. Deulkar Partner FCS No. 1321 C P No. 965

Independent Auditor's Report

To the Members of Thermax Babcock & Wilcox Energy Solutions Private Limited

Report on theFinancial Statements

 We have audited the accompanying financial statements of Thermax Babcock & Wilcox Energy Solutions Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statements of Profit and Loss and Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.
- 4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
- 5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.
- 6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
- 7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 of the state of affairs of the Company as at March 31, 2015, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 9. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 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 3 and 4 of the Order.
- 10. As required by Section 143(3) of the Act, we report that:
 - we have sought and 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 it 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 aforesaid financial statementscomply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. on the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014(as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 to the financial statements
 - ii. The Company does not have material foreseeable losses in any longterm contracts or derivative contracts that need to be provided for.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Place: Pune, Date: 14th May, 2015 Prasad V. Paranjape Partner Membership Number 047296.

ANNEXURE REFERRED TO IN PARAGRAPH 9 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) According to the information and explanations given to us the Fixed asset of the Company is physically verified by the management once in three years, which in our opinion, is reasonable having regard to the size of the company and nature of its assets. In current year no physical verification is done, and hence discrepancies, if any could not be noted and commented upon.
- (ii) (a) The inventory of the Company has been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of records of inventory, in our opinion, the Company has maintained proper records of inventory and the discrepancies noticed on physical verification between the physical stocks and the book records were not material.
- (iii) There are no companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, provisions of the clause 3 (iii) of the Companies (Auditor's Report) Order, 2015 are not applicable 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. Further, during the course of our audit, we have neither come across nor we have been informed of any instance of continuing failure to correct major weakness in the aforesaid internal control procedures.
- (v) The Company has not accepted any deposits within the meaning of Section 73 of the Act and the rules framed thereunder.
- (vi) According to the information and explanations given to us,we are of the opinion that the maintenance of cost records under section 148 (1) of the Companies Act, 1956, is not applicable to the company and hence not commented upon.

- (vii) (a) According to the records of the Company and information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, Sales tax, Wealth tax and service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues with the appropriate authorities.
 - (b) According to the information and explanations given to us and records of the Company examined by us, there are no dues of income tax, sales tax, wealth tax, service -tax, duty of excise, duty of customs, value added tax, and cess which have not been deposited on account of any dispute
- (viii) As the company is in existence for less than five years, thus Para 3 (viii) of the Companies (Auditor's Report) Order, 2015 (as amended) in respect of accumulated losses is not applicable to the Company and hence no comments have been offered thereunder.
- (ix) Based on our audit procedures and according to the information and explanations given by the Management, in our opinion, the Company has not defaulted in repayment of dues to any financial institution or bank or to debenture holders as at the balance sheet date.
- (x) Based on the information and explanations given to us, in our opinion, the Company has not given any counter guarantees/ corporate guarantees for loans taken by others.
- (xi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xii) During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any significant instant of fraud on or by the company, either noticed or reported during the year, nor have we been informed of such case by the Management.

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

Place: Pune Date: 14th May, 2015 Prasad V. Paranjape Partner Membership No.: 047296

Profit and loss statement for the year ended March 31, 2015

Balance Sheet as at 31st March 2015

Par	ticulars	Note No	Notes Ref	Rs in Lacs As at March 31, 2015	Rs in Lacs As at March 31, 2014
I.	EQUITY AND LIABILITIES				
	1. Shareholders' funds				
	a. Share capital	1		38,500.00	38,500.00
	b. Reserves and surplus	2		(23,026.30)	(11,173.65)
				15,473.70	27,326.35
	2. Share application money pending allotment			-	-
	3. Non-current liabilities				
	a. Long-term borrowings	3	25(5)	44,253.09	42,719.35
	b. Deferred tax liabilities (Net)		25(10)	-	-
	c. Other Long-term liabilities	4		-	2,830.37
	d. Long-term provisions	5		143.41	81.87
				44,396.50	45,631.59
	4. Current liabilities				
	a. Short-term borrowings	6		-	-
	b. Trade payables	7		2,032.48	2,178.85
	b. Other current liabilities	8		15,751.50	737.61
	c. Short-term provisions	9		189.24	191.71
				17,973.22	3,108.17
	TOTAL			77,843.42	76,066.11
Π	ASSETS				
	1. Non-current assets				
	a. Fixed assets	10			
	i. Tangible assets			57,286.54	57,887.36
	ii. Intangible assets			2,451.67	2,760.99
	iii. Capital work-in-progress			2.00	-
	iv. Intangible Assets under Development			-	-
	b. Long-term loans and advances	11		1,285.10	247.81
	c. Other non-current assets	12		4,518.40	3,267.63
				65,543.71	64,163.80
	2. Current assets				
	a. Current investments	13		1,735.79	7,039.59
	b. Inventories	14	25(k)& 25(2d)	2,379.93	652.56
	c. Trade receivables	15		247.94	21.99
	d. Cash and cash equivalents	16		5,193.58	2,549.44
	e. Short-term loans and advances	17		264.98	7.72
	f. Other current assets	18		2,477.50	1,631.01
				12,299.71	11,902.31
	TOTAL			77,843.42	76,066.11
Not	es to the financial statements	25			
The	accompanying notes are an integral	nart o	f the finer	ncial statement	

S				
estments	13		1,735.79	7,039.59
	14	25(k)& 25(2d)	2,379.93	652.56
vables	15		247.94	21.99
ash equivalents	16		5,193.58	2,549.44
oans and advances	17		264.98	7.72
nt assets	18		2,477.50	1,631.01

Partio	culars	Note No	Notes Ref	Rs in Lacs Year ended March 31, 2015	Rs in Lacs Year ended March 31, 2014
I	Revenues from operations	19	25(2i)	3,638.98	1,582.59
П	Other income	20		981.49	71.74
ш	Total Revenue (I+II)			4,620.47	1,654.33
IV	Expenses :				
	Cost of materials consumed	21	25(2)	1,982.62	1,102.87
	Employee benefits	22		2,693.96	2,036.86
	Finance costs	23		5,234.05	1,027.75
	Depreciation and amortisation			4,514.64	1,248.21
	Other expenses	24		2,563.79	1,548.36
	Total Expenses			16,989.06	6,964.05
V	Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)			(12,368.59)	(5,309.72)
VI	Tax expense:				
	1. Current tax			-	-
	2. Deferred tax			-	-
VII.	Profit / (Loss) for the period from continuing operations (V-VI)			(12,368.59)	(5,309.72)
VIII	Profit (Loss) for the period			(12,368.59)	(5,309.72)
IX	Earnings per equity share:				
	1. Basic		25(14)	(3.21)	(1.76)
	2. Diluted		25(14)	(3.21)	(1.76)
	Value per Share Rs 10 (Previous Rs 10)				
Notor	to the financial statements	25			

The accompanying notes are an integral part of the financial statements.

The accompanying notes are an integral part of the financial statements.

As per our report of even date	For and	on behalf of the Board	As per our report of even date	For and	on behalf of the Boar
For B. K. Khare & Co.	Amitabha Mukhopadhyay	Ravinder Advani	For B. K. Khare & Co.	Amitabha Mukhopadhyay	Ravinder Advani
Chartered Accountants	Director	Director	Chartered Accountants	Director	Director
Firm Registration No. 105102W			Firm Registration No. 105102W		
Prasad V. Paranjape	Deepak Chopra		Prasad V. Paranjape	Deepak Chopra	
Partner	Manager		Partner	Manager	
Membership No. 047296			Membership No. 047296		
Pune, 14th May 2015	Pune, 14th May 2015		Pune, 14th May 2015	Pune, 14th May 2015	

Cash Flow Statement for the year ended March 31, 2015

		Rs in Lacs Year ended	Rs in Lacs Year ended
Par	ticulars	March 31, 2015	March 31, 2014
A.	Cash Flow from Operating Activities	2013	2014
	Profit before taxation	(12,368.59)	(5,309.72)
	Adjustment for :	())	()
	Depreciation & Amortisation	4,514.64	1,248.21
	Loss on sale of Asset	5.00	-
	Dividend / Interest / Brokerage Income	(636.09)	(69.02)
	Interest Paid	5,234.05	751.13
	Preliminery Expenses	-	14.35
	Unrealised foreign currency losses	-	38.19
	Operating profit before working capital changes	(3,250.99)	(3,326.87)
	Changes in Working Capital:		
	Increase / (Decrease) in trade payables	(146.36)	2,178.85
	Increase / (Decrease) in provisions	(2.47)	(179.32)
	Increase / (Decrease) in other current liabilities	10,547.89	116.55
	Increase / (Decrease) in other long term liabilities	(2,830.37)	(588.42)
	Increase / (Decrease) in other long term liabilities	-	-
	Increase / (Decrease) in long term provisions	61.54	67.87
	Increase / (Decrease) in reserves	515.94	
	(Increase) / Decrease in trade receivables	(225.94)	(21.99)
	(Increase) / Decrease in inventories	(1,727.36)	(652.56)
	(Increase) / Decrease in loans & advances	(1,294.55)	1,065.65
	(Increase) / Decrease in other current assets	(846.49)	(1,443.62)
р	(Increase) / Decrease in Non-current assets	(150.77)	(713.15)
B.	Cash flow from Investing Activities Purchase of tangible / intangible assets incl	(3,622.01)	(11,734.38)
	WIP & Capital Advances Sale proceeds from sale of Fixed Asset	(3,022.01)	(11,/54.58)
	-		-
	(Purchase)/sale of current investments	5,303.80	(4,322.22)
	Deposit in DSRA A/C Interest received	(1,100.00) 430.34	(1,300.00) 0.54
	Dividends received	205.75	68.48
	Net cash from investing activities	1,228.39	(17,287.58)
C.	Cash flow from Financing Activities	1,220.09	(17,207.50)
	Interest paid	(5,234.05)	(751.13)
	Proceeds from Long Term Borrowings	5,999.74	12,595.78
	Proceeds from issue of shares net of share	-	11,351.67
	issue expenses		,
	Preliminery Expenses	-	(14.35)
	Net Cash used in financing activities	765.69	23,181.97
	Net increase in Cash and Cash equivalents (A + B +C)	2,644.14	2,397.37
	Cash and Cash equivalents at the beginning of the year	2,549.44	152.07
	Cash and Cash equivalents at the end of the year Cash and Cash equivalents comprise of :	5,193.58	2,549.44
	Cash on Hand	-	-
	Cheques on Hand	-	-
	Balances with Banks in Current Accounts / Deposits	5,193.58	2,549.44
	Total	5,193.58	2,549.44
Ast	per our report of even date	For and on beha	lf of the Board
		padhyay Ravind	
	intered Accountants Director	Directo	
		Directo	1
гШ	n Registration No. 105102W		

Deepak Chopra

Pune, 14th May 2015

Manager

Prasad V. Paranjape

Membership No. 047296 Pune, 14th May 2015

Partner

Notes attached to and forming part of Financial Statements

Particulars Note 1			Rs in Lacs As at March 31,2015	Rs in Lacs As at March 31,2014
Share capital Authorised 400,000,000 Each (Previous Year : 400,0 Rs. 10/- Each)	Equity Shares of 00,000 Equity S		40,000.00	40,000.00
Issued, Subscribed and Paid 38,50,00,000 (Previous Yea Shares of Rs 10 each fully p above 19,63,50,000 (Previo Equity Shares of Rs 10 each by Thermax Ltd, Holding C	r: 38,50,00,000) baid - up (Out of us Year 19,63,5 h fully paid - up	f the 0,000)	38,500.00	38,500.00
.,	· · ·))	=	38,500.00	38,500.00
a) Reconciliation of the shar	es at the beginn	ing and at th	e end of the re	porting period.
Equity Shares	March 2	2015	Marc	h 2014
	Nos	Rs in Lacs		Rs in Lacs
At the beginning of the period Issued during the	385000000	38,500.00	271483265	27,148.33
period				
Outstanding at the end of the period	385000000	38,500.00	385000000	38,500.00
b) Term/rights attached to eq	uity shares			
The Company has only or per share. Each holder of declares and pays dividen of Directors is subject to General Meeting. In the event of liquidatio entitled to receive rema preferential amounts. The	equity shares is d in Indian Rup the approval o on of the Comp ining assets of distribution wi	s entitled to bees. The div f the shareh any, the ho the Compa	vote per share vidend propose olders in the e lder of equity any, after dist	. The company d by the Board nsuing Annual shares will be ribution of all
shares held by the shareho				
c) Sharesheldbyholding/ulti 51% of the equity share (19,63,50,000 (Previous Y up are held by Thermax L	s are held by ear 19,63,50,00	its holding 0)Equity Sl	company, The	rmax Limited.
d) Details of Share holding r	nore than 5% sh	nares in the	Company.	
Equity Shares of Rs. 10 e	ach fully paid		March 2015	March 2014
Thermax Limited Babcock & Wilcox India		up	51% 49%	51% 49%
	U	Notes Ref	Rs in Lacs As at March	Rs in Lacs As at March
Particulars Note 2		Kei	31,2015	31,2014
Reserves and Surplus				
Hedging Reserve Per Last Balance Sheet Transfered during the year	ar	25(19)	515.94	
Surplus/(Deficit)			515.94	-
Per Last Balance Sheet			(11,173.65)	(5,863.93)
Profit / (Loss) for the per	iod		(12,368.59)	(5,309.72)
TOTAL			$\frac{(23,542.25)}{(23,026.30)}$	(11,173.65) (11,173.65)
Note 3				
Long-Term Borrowings Secured Long Term Borrow	ings :			
Term loans From banks				
ICICI Bank		25(5)	17,198.94	10,125.00
State Bank of India		25(5)	19,224.00	21,416.00
Buyer's Credit - ICICI B	ank	25(5)	1,912.15	11,178.35
ICICI Bank - WCTL TOTAL		25(5)	5,918.00 44,253.09	42,719.35

Notes attached to and forming part of Financial Statements

Particulars Note 4	Notes Ref	Rs in Lacs As at March 31,2015	Rs in Lacs As at March 31,2014	Particulars Note 8	Notes Ref	Rs in Lacs As at March 31,2015	Rs in Lacs As at March 31,2014
Other Long-term liabilities				Other current liabilities			
Others (Creditors for Capital Goods)		-	2,830.37	Current maturities of long-term debt		-	-
TOTAL			2,830.37	ICICI Bank	25(5)	2,192.00	-
Note 5				State Bank of India	25(5)	2,192.00	-
Long-term provisions				ICICI Bank - WCTL	25(5)	82.00	-
Long Term Employee Benefits for Gratuity	25(6)	40.18	28.22	Interest accrued but not due on borrowings		57.63	275.37
Long Term Employee Benefits for Superannuation	20(0)	35.09	33.53	Customer Advances [including Rs 2.42 Lacs for scrap sales (Previous y	25(4) /ear Nil)]	10,608.02	132.13
Provision for Warranty	25(17)	68.14	13.00	Payable to Bank (Forwards) -			
Long-term provisions others		-	7.13	Less :Forward Contract Receivable		-	312.19
TOTAL		143.41	81.87	Other Liabilities		619.84	17.92
Note 6				(Includes Statutory payments, employee relat	ed payme		
Short-term borrowings				TOTAL		15,751.50	737.61
TOTAL				Note 9			
Note 7				Short-term provisions			
Trade payables				Short term Employee Benefits		189.24	191.71
Trade payables	25(8)	2,032.48	2,178.85	TOTAL		189.24	191.71
TOTAL		2,032.48	2,178.85				
Note 10							

Fixed assets

Particulars		GROSS	BLOCK			DEPRECIATION			NET B	LOCK
	Cost As On April 01, 2014	Additions During the Year-14-15	Deductions During The Year 14-15	Total Cost as on March 31, 2015	As On April 01, 2014	Deductions During the Year 14-15	Provisions During the Year 14-15	Total As On March 31, 2015	As on March 31, 2015	As on March 31, 2014
Tangible Assets										
Land - Leasehold	4,548.59	-	-	4,548.59	157.79	-	47.76	205.55	4,343.04	4,390.79
Building	24,829.17	1,521.80	-	26,350.97	222.55	-	857.70	1,080.25	25,270.72	24,606.62
Plant & Machinery	28,788.26	1,626.44	-	30,414.70	466.81	-	3,006.23	3,473.04	26,941.66	28,321.45
Furniture and Fixtures	155.98	27.28	-	183.26	40.43	-	61.51	101.94	81.32	115.55
Office Equip, Computers	463.72	289.52	-	753.24	154.54	-	91.94	246.48	506.76	309.18
Vehicles	171.00	31.78	20.48	182.29	27.24	4.98	16.99	39.25	143.04	143.77
Total	58,956.72	3,496.82	20.48	62,433.05	1,069.36	4.98	4,082.13	5,146.51	57,286.54	57,887.36
Previous Year	4,910.88	54,045.83	-	58,956.72	239.44	-	829.92	1,069.36		
Intangible Assets										
Technical Knowhow *	3,734.72	24.65	-	3,759.37	1,150.15	-	375.93	1,526.08	2,233.29	2,584.57
Softwares	340.38	98.62	-	438.99	164.03	-	56.58	220.61	218.38	176.35
Total	4,075.09	123.27	-	4,198.36	1,314.18	-	432.51	1,746.69	2,451.67	2,760.91
Previous Year	3,887.75	187.35		4,075.09	895.89		418.28	1,314.18		
Total	63,031.81	3,620.08	20.48	66,631.41	2,383.54	4.98	4,514.64	6,893.20	59,738.21	60,648.28
Previous Year	8,798.63	54,233.18	-	63,031.81	1,135.33	-	1,248.21	2,383.54		
CWIP		2.00		2.00				-	2.00	-

*Technical Know How has remaining useful life of 6years & balance carrying value of Rs. 2,233.29 lacs.(Previous year Rs. 2,584.57)

Notes Ref	Rs in Lacs As at March	Rs in Lacs As at March
	31,2015	31,2014
	-	105.41
	335.76	142.39
	949.34	-
	1,285.10	247.81
		Notes As at Ref March 31,2015

	Notes Ref	Rs in Lacs As at March	Rs in Lacs As at March
Particulars		31,2015	31,2014
Note 12			
Other non-current assets			
Balance in Central Excise & Customs Accounts		1,230.88	1,467.01
VAT Set off		887.52	500.62
Fixed Deposit with more than 12 month in maturity	16	2,400.00	1,300.00
TOTAL		4,518.40	3,267.63

Notes attached to and forming part of Financial Statements

		Rs in Lacs	Rs in Lacs
	Notes Ref	As at March	As at March
Particulars		31,2015	31,2014
Note 13			
Current Investments			
Non trade, Quoted but not listed			
Investments in Mutual Funds (refer note bel	ow)	1,735.79	7,039.59
TOTAL		1,735.79	7,039.59
As at 31st March 2015			
	Units	Cost	Market Value
Name of Investment		Rs in Lacs	Rs in Lacs
UTI-Liquid Cash Plan- Institutional - Daily Dividend Reinvestment	19 772	201.56	201.56
Birla Sun Life Floating Rate Short Term Plan- Daily Dividend-Direct Plan-Reinvested	9 04 612	905.07	905.07
ICICI Prudential Money Market Fund- Regular Plan-Daily Dividend	3 11 737	312.14	312.14
Kotak Liquid Scheme Plan A - Daily Dividend (Regular Plan)	25 923	316.99	316.99
SBI Premier Liquid Fund-Regular Plan-Daily Dividend	3	0.03	0.03
TOTAL		1,735.79	1,735.79
As at 31st March 2014			
	Units	Cost	Cost
Name of Investment		Rs in Lacs	Rs in Lacs
UTI Floating Rate Mutual Fund	6 53 704	7039.59	7039.59
Note 14			
Inventories			
Raw materials	25(2d)	2,285.97	576.30
Goods in Transit	25(2d)	93.96	76.27
TOTAL	- ()	2,379.93	652.56
Note 15			
Trade Receivables			
Unsecured trade receivable outstanding for a period exceeding six month	or	-	-
Considered good		247.94	21.99
Considered doubtful		-	-
TOTAL		247.94	21.99
Note 16			
Cash and cash equivalents			
Balances with banks			
Deposit with more than 12 month in matur	rity	2,400.00	1,300.00
Deposit others		4,457.43	2,300.00
Balances in current accounts		736.15	249.44
		7,593.58	3,849.44
Less : Deposit with more than 12 month i maturity disclosed under Other non-curre assets		2,400.00	1,300.00
TOTAL		5,193.58	2,549.44
Note 17 Short-term loans and advances			
Unsecured, considered good Advances recoverable in cash or in kind		263.10	- 5.86
Advances recoverable in cash of in kind Advances to Staff and Workers		203.10	5.80 1.86
Advances to Starr and workers Advances to Suppliers		0.73	1.00
TOTAL		264.98	7.72
IOTAL		201,70	

	Notes Ref	Rs in Lacs Year Ended March 31,	Rs in Lacs Year Ended March 31,
Particulars Note 18		2015	2014
Other current assets			
Contracts in Progress	25 (4)	1,872.99	1,549.86
Forwards Receivable - Exports 604.51	- ()	-	-
Payable to Banks (Exports) (0.00)		604.51	81.17
Unamortised Premium on Forwards		-	-
TOTAL		2,477.50	1,631.03
Note 19			
Revenue from operations			
A. Sale of products	25(2)(a)		
(i) Domestic		3,799.73	5.13
Add : Closing Contracts in Progress	25(4)	123.99	1,549.86
Less : Opening Contracts in Progress		1,549.86	
(i)		2,373.86	1,554.99
(ii) Exports		-	-
Add : Closing Contracts in Progress		1,749.00	-
Less : Opening Contracts in Progress		- 1 7 40 00	
(ii)		1,749.00 4,122.86	- 1.554.00
(i)+ (ii) B. Sale of services		4,122.80	1,554.99
C. Other operating revenues		47.75	5.55
Sale of Scrap		40.54	23.01
Miscellaneous Income		9.58	2.38
		50.12	25.39
D. Less: Excise duty		583.94	1.15
(A+B+C-D) TOTAL		3,638.98	1,582.59
Note 20			
Other income			
Interest Income		430.34	3.26
		-50.54	5.20
Dividend Income		-	-
Current Investment		205.75	68.48
Net Gain on foreign currency transactions and translation		345.40	-
TOTAL		981.49	71.74
Note 21			
Cost of Material consumed			
Consumption of raw materials and components	25(2c)		
Opening Stocks		652.56	-
Add: Purchases (Other than Trading purchases)		3,709.98	1,755.43
		4,362.54	1,755.43
Less: Closing Stocks		2,379.93	652.56
		1,982.62	1,102.87
Note 22			
Employee Benefits Expense			
Salaries and wages	0.540	2,379.11	1,811.09
Contribution to provident and other funds	25(6) (vii)	138.50	122.63
Gratuity	25(6)	63.70	39.45
Staff welfare expenses	23(0)	112.64	63.69
TOTAL		2,693.96	2,036.86
- O HE			2,000.00

Notes attached to and forming part of Financial Statements

		Rs in Lacs	Rs in Lacs
	Notes Ref	Year Ended March 31,	Year Ended March 31,
Particulars		2015	2014
Note 23			
Finance Costs			
Interest expense	25(1j)	5,234.05	1,027.75
TOTAL		5,234.05	1,027.75
Note 24			
Other Expenses			
Consumption of stores and spare parts		107.87	176.73
Electricity & Water Expenses		211.14	99.48
Drawing, Design and Technical Service Charges		78.50	8.95
Site Expenses and Contract Labour Charges		698.33	169.85
Rent and Service Charges	25(13)	225.20	238.69
Lease Rentals		-	-
Rates and taxes, excluding taxes on income.		100.90	94.68
Insurance		48.28	14.55
Repairs and Maintenance:		-	-
Building		31.62	72.01
Plant and Machinery		44.30	16.31
Repairs and Maintenance:Others		62.48	47.90
Communication		28.53	16.35
Traveling and Conveyance		148.63	45.87
Advertising and Exhibition Expenses		4.59	2.43
Other Selling and Distribution Expenses		24.64	23.79
Bank Charges		194.68	11.05
Legal & Professional Charges	25(9)	360.99	258.62
Printing and Stationery		11.09	4.67
Donations		0.02	0.01
Loss on Assets sold/discarded (net)		5.00	-
Premium on Forward Contracts (net)		-	140.34
Security Expenses		64.25	26.62
Software Expenses		11.88	24.49
Recruitment Expenses		23.18	3.44
Training Expenses		14.04	-
Books and Periodicals		6.53	0.56
Prov. for Warranty Exp.		55.14	13.00
Prov. For loss on contract.		-	17.60
Miscellaneous Expenses		1.97	6.03
Preliminary Expenses			14.35
TOTAL		2,563.79	1,548.36

Note 25

1. Significant Accounting Policies

a) Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material respect with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in preparation of financial statements are consistent with those of previous year.

b) Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised.

c) Fixed Assets - Tangible & Intangible Assets

Tangible fixed assets are stated at cost (net of refundable taxes or levies) and include any other attributable cost for bringing the assets to working condition for their intended use. Borrowing cost, if any, attributable to fixed assets is capitalised.

Expenditure incurred on acquisition of technical know-how and such other intangibles are recognized as Intangible Asset, if it is expected that such assets will generate sufficient future economic benefits.

All cost directly attributable to the assets are capitalised to the asset.

d) Depreciation

Cost incurred on Leasehold land is amortized over the period of lease.

Depreciation on Buildings, Plant & Machinery, Furniture & Fixtures, Air Conditioners, Office Equipment, Electrical Installation at Factory and Administrative Office is provided by the Straight Line Method at the rates and in the manner prescribed by Schedule II to the Companies Act, 2013.

Technical Know How is amortized by straight line method over 10 years.

The management has carried out an estimation of the useful lives of fixed assets based on internal and external technical evaluation. Based on such evaluation, in respect of the following categories of fixed assets, useful life differs from that specified in the Schedule II to the Companies Act 2013

Asset Category	Company's Estimate of Useful Life (Years)
Office Equipment	15
Computer Hardware (Desktops & Laptops)	4
Plant and Machinery - Transformers etc	25
Plant & Machinery - Paint Booth etc	20
Plant & Machinery – Air circulators etc	10
Furniture & Fixtures	15
Factory Building – Roads	30

e) Asset Impairment

Provision for impairment loss, if any, is recognized to the extent by which the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of an asset's estimated net selling price and its value in use. Value in use determined on the basis of the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Notes attached to and forming part of Financial Statements

f) Investments

Investments classified as long-term investments are carried at cost. Provision for diminution if any, is made to recognize a decline, other than temporary in nature, in the carrying amount of such long-term investments.

Investments classified as current investments are carried at lower of cost and fair value.

g) Employee Benefits

Long-Term Benefits

Provident Fund

Liability on account of the company's obligation under the employee's provident fund, a defined contribution plan is charged to profit and loss account on the basis of actual liability calculated as a percentage of salary

Superannuation Fund

Liability on account of the company's obligation under the employee's superannuation fund, a defined contribution plan is charged to profit and loss account on the basis of actual liability calculated as a percentage of salary

Gratuity

- Liability on account of company's obligation under the employee gratuity plan, a defined benefit plan, is provided on the basis of actuarial valuation, using projected unit credit method.
- Fair value of plan assets, being the fund balance on the balance sheet date with Life Insurance Corporation under group gratuity-cum-life assurance policy is recognized as asset.
- iii. Current service cost, interest cost and actuarial gains and losses are charged to profit and loss statement.
- Past service cost/effect of any curtailment or settlement is charged/ credited to the profit and loss statement, as applicable.

Short-Term Benefits

Leave Encashment

Liability on account of the company's obligation under the employee's leave policy is provided on accrual basis in respect of leave earned but not availed based on the number of days of carry forward entitlement at each balance sheet date.

Medical and Leave Travel Assistance benefits

Liability on account of the company's obligations under the employee's medical reimbursement scheme and leave travel assistance are provided on accrual basis.

Employee's Short Term Incentive Plan

Liability on account of the company's obligations in respect of employee's short-term incentive plan as applicable is provided on accrual basis.

h) Provisions and Contingent Liabilities

Provisions in respect of present obligations arising out of past events (recognized in the manner required by AS 29) are made in the accounts when a reliable estimate can be made of the amount of the obligations. Contingent liabilities in respect of possible obligations arising from past events are disclosed by way of a note to the Balance Sheet.

The company provides for warranty obligations on the basis of percentage completion of contracts.

Contingent liabilities are disclosed by way of note to the financial statements, after careful evaluation by the management of the facts and legal aspects of the matter involved.

i) Revenue Recognition

Revenue in respect of projects for construction of plants & systems, involving designing, engineering, fabrication, supply, erection (or supervision thereof), commissioning, guaranteeing performance thereof, etc. execution of which

is spread over different accounting periods is recognised on the basis of percentage completion method.

Stage of completion of each contract is determined by the proportion that aggregate contract costs incurred for work done till the balance sheet date bear to the estimated total contract cost.

The difference between costs incurred plus recognised profits / less recognised losses and the amount of invoiced sales is disclosed as contract in progress.

Determination of Revenues under the percentage completion method necessarily involves making estimates by the management (some of which are of technical nature) of the costs to completion, the expected revenues from each contract (adjusted for probable liquidated damages, if any) and the foreseeable loss to completion.

Revenue in respect of services is recognized on 'as billed' basis.

Dividend from investments is recognized when the company's right to receive is established.

Interest income is recognized on time proportion basis.

j) Borrowing Costs

The borrowing costs post commercial operation is charged to Profit & Loss A/c.

k) Inventories

Inventories are valued at lower of cost and estimated net realisable value.

Cost of raw materials, components, consumables, tools, stores & spares is arrived at on the basis of weighted average cost.

I) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the respective dates of the transactions.

Exchange differences arising on settlement of transactions in foreign currency are recognised in the Profit & Loss Account.

Assets and liabilities denominated in foreign currency are translated at the closing exchange rates.

The Company uses foreign exchange forward contracts to hedge its risks associated with foreign currency fluctuations to underlying transactions and for firm commitments. The order values in respect of export orders have been re-valued as per closing exchange rates.

Foreign currency monetary item balances in the balance sheet are translated at the closing exchange rates and the resulting exchange difference is recognized in the statement of profit and loss.

m) Hedge Accounting:

The company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations. In terms of the risk management strategy, the company does not use forward cover contracts for trading or speculative purposes. Foreign currency forward contracts are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of such contracts, which are designated and effective, are recorded in the Hedging Reserve account. The accumulated changes in fair value recorded in the same period during which the underlying transactions affect statement of profit and loss and / or the foreign currency forward contract expires or is exercised, terminated or no longer qualifies for hedge accounting.

2. Additional Information :

a. Turnover of goods manufactured & Traded (net of excise)

		(Rs. In Lacs)
Particulars	2014-15	2013-14
Boilers, Chillers & Heaters	3,538.92	1,553.84
Total	3,538.92	1,553.84

(D I I
Notes attached to and forming part of Financial Statements

b. Service Revenue under broad heads

		(Rs. In Lacs)
Particulars	2014-15	2013-14
Engineering Services	2.11	3.35
Job work for chillers	47.82	-
Total	49.93	3.35

....

c. Consumption of raw materials & components, etc.

		(Rs. In Lacs)
Particulars	2014-15	2013-14
Ferrous Tubes/pipes	1,982.62	1,102.87
Total	1,982.62	1.102.87

d. Raw Material Stock under broad heads

		(Rs. In Lacs)
Particulars	2014-15	2013-14
Tubes	1,274.47	160.66
Plates	269.30	-
Pipes	26.10	229.95
Others	810.06	261.95
Total	2,379.93	652.56

e. Value of imported & indigenous Raw materials & components & spare parts consumed

			(Rs.	In Lacs)
Particulars	2014-15	%	2013-14	%
Indigenous	1,982.62	100	1,102.87	100
Imported	-	-	-	-
Total	1,982.62	100	1,102.87	100

3. Expenditure in Foreign Currency (On Accrual Basis)

			(Rs. In Lacs)
Sr. No	Particulars	2014-15	2013-14
(I)	Expat Salaries	472.81	556.28
(II)	Professional fees	134.94	30.01
(III)	Technical Fees	-	-
(IV)	Procurement of Raw Material	1,332.66	-
(V)	Procurement of Capital Assets	625.49	783.97

4. Contracts in Progress

			(Rs. In Lacs)
Sr. No	Particulars	2014-15	2013-14
a)	Aggregate amount recognised as Contract Revenue (RR) for the year	3,538.92	1,553.84
b)	In respect of contracts in progress as on 31st March :		
	 Aggregate amount of costs incurred and recognised profits (less recognised losses) (including amounts carried forward from previous years) 	3,446.16	1,530.73
	2. Amount of Customer Advances received	10,608.02	132.13
	3. Amount of Retentions	Nil	Nil
c)	Gross amount due from Customers for Contract Work	1,872.99	1,549.86
d)	Gross amount due to customers for contract work	Nil	Nil

5. Long Term Borrowings

Term loan facilities sanctioned by ICICI Ltd and State Bank of India aggregating to Rs 43,700 lacs to be funded equally by both the Banks.

Out of the above Company has drawn down Rs 19,391 lacs (Previous Year Rs. 10,125 Lacs) from ICICI Bank, Rs 21,416 lacs (Previous Year Rs. 21,416 Lacs) from State Bank of India. The company has availed Buyer's Credit from ICICI Bank for Rs. 1,912 Lacs (Previous Year RS. 11,178 Lacs).

The repayment term of the loan is scheduled on quarterly basis starting from quarter ending 12 months from Commercial Operation Date over a period of six years. The first instalment is due in June 2015, amounting to Rs. 1096 lakhs.

The loan is secured by First Charge on moveable Properties, first charge on all rights, title and interests of the borrower and second charge on raw material stock, semi finished and finished goods as well as book debts and by way of deposit of title deeds for immoveable property of the company mainly plot of land and all construction thereon.

ICICI Ltd has also sanctioned Rs. 13,000 lakhs (Previous Year Rs Nil) of Working Capital Term Loan to fund the working capital margin requirement and working capital expenses and expenses related to transaction.

Out of the above Company has drawn down Rs 6,000 lacs (Previous Year Rs. Nil).

The repayment term of the loan is scheduled on quarterly basis starting from quarter ending 18 months from the date of first draw down over a period of eleven years. The first instalment is due in February 2016 amounting to Rs. 82 lakhs.

The loan is secured by second pari passu charge on current assets and second pari passu charge on fixed assets (immoveable and moveable) properties of existing manufacturing set up project subservient to the existing charge created in favour of existing lenders.

The working capital term loan is also secured by a letter of comfort from Thermax Ltd and stand by letter of credit (SBLC) from Babcock and Wilcox PGG INC,

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6 Employee Benefits

Defined Benefit Plans for Employees (AS 15)

Sr. No.	Particulars	2014-15	2013-14
i	Components of Employer expense		
a	Current Service Cost	23.05	19.19
b	Interest Cost	13.51	11.28
с	Expected Return on Plan Assets	(14.99)	(13.25)
d	Actuarial (Gain)/Loss	42.13	22.22
e	Past Service Cost		
f	Total expense recognised in the Profit and Loss	63.70	39.45
	Account		
ii	Net Assets/(Liability) recognised in Balance		
	Sheet as at 31st March 2015		
a	Present Value of Obligation	238.18	180.87
b	Fair Value of Plan Assets	198.00	152.65
с	Asset/(Liability) recognised in the Balance	(40.18)	(28.22)
	Sheet		
iii	Change in Gratuity Obligation during the		
	year		
a	Present Value of Obligation as at start of the	180.87	142.90
	year		
b	Acquisition adjustment	0.00	0.00
с	Current Service Cost	23.05	19.19
d	Interest Cost	13.51	11.28
f	Actuarial (Gain)/Loss	44.76	21.37
g	Benefit Paid	(24.01)	(13.89)
h	Present Value of Obligation as at end of the	238.18	180.87
	year		
iv	Changes in the Fair Value of Plan Assets		
a	Present Value of Plan Assets as at start of the	152.65	154.14
	year		
b	Acquisition adjustment	0.00	0.00
c	Expected Return on Plan Assets	14.98	13.25
d	Actual Company Contribution	51.74	0.00
e	Benefits Paid	(24.01)	(13.89)

THERMAX BABCOCK & WILCOX ENERGY SOLUTIONS PRIVATE LIMITED

Notes attached to and forming part of Financial Statements

	(Rs. In Lacs)		
Sr. No.	Particulars	2014-15	2013-14
f	Actuarial Gain/(Loss)	2.63	(0.85)
g	Present Value of Plan Assets as at end of the	198.00	152.65
	year		
	Actuarial Assumptions		
a	Discount Rate	8% p.a.	8% p.a.
b	Expected Rate of Return	9.0% p.a.	9.0% p.a.
c	Mortality	LIC 1994-96	LIC 1994-96
		ULTIMATE	ULTIMATE
d	Future Salary Increases	7.0% p.a	7.0% p.a
e	Disability	Nil	Nil
f	Attrition	10% p.a	10% p.a
g	Retirement	60 years	60 years

v) Amounts recognised in current year and previous four years

				(F	Rs. In Lacs)
Particulars	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Gratuity					
Defined Benefit Obligation	238.18	180.87	142.9	114.06	Nil
Plan Asset	198.00	152.65	154.14	4.47	Nil
Surplus / (Deficit)	(40.18)	(28.22)	11.24	(109.59)	Nil
Experience adjustments in plan liabilities	44.76	21.37	6.17	-	Nil
Experience adjustments in plan assets	2.63	(0.85)	23.25	(0.53)	Nil
Classified as Non- Current	(40.18)	(28.22)	11.24	(109.59)	Nil
Classified as Current	-	-	-	-	Nil
Recognised in Balance Sheet	(40.18)	(28.22)	11.24	(109.59)	Nil

Note: The Company was incorporated on 26th June 2010 and hence the details above have been given for past four years.

vi) Major Category of Plan Assets as a % of total Plan Assets

(Rs in Lacs) Particulars 2014-15 2013-14 Government Securities 100% 100% (Central and State) Corporate Bonds -Equity Shares of Listed Companies Fixed Deposits under Special _ Deposits Schemes of Central Government Public Sector Unit Bonds

100%

vii) Defined Contribution Plans amount recognised in the Statement of Profit and Loss

		(Rs in Lacs)
Particulars	2014-15	2013-14
Provident and other funds paid	138.50	122.63

viii) Expected Contribution to funds in next year

(Rs in Lacs)

100%

Sr no.	Particulars	FY 15-16	FY 14-15
1	Gratuity	7.14	52.59
2	Provident Fund	66.30	62.63

7. Contingent Liabilities not provided for:

Total %

 Bank Guarantees provided to third parties as security for bid documents Rs. 7,386 lakhs (Previous Year: Nil). Bank guarantees issued to statutory authorities Rs 1,789.20 lakhs (Previous Year: Rs 1,078.14 lakhs)

- b) LC issued amounting to Rs. 1,048 lakhs (Previous Year Rs. 46.29 lakhs)
- c) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.2,270 lakhs (Previous Year: Rs. 4,373.86 lakhs)
- d) The Company has saved duty amounting to Rs. 3,416 lakhs (Previous Year: Rs 3,614 lakhs) under Export Promotion Capital Goods Scheme (EPCG) against which there is an export obligation of six times the value of duty saved ie Rs 24,767 lakhs (Previous Year :Rs 21,684 lakhs) over a period next three years. Excise duty amounting to Rs. 261 lakhs has been received from DGFT in current year.

8. Micro & Small Scale Enterprises

Micro & Small scale enterprises as defined under the Micro, Small and Medium Enterprises Development Act 2006 have been identified to the extent of information available with the company. This has been relied upon by the auditors. The previous year figures are given in brackets.

S	Particulars	Principal	Interest	Total
No.		Amount		
А	Total Outstandings to MSMED vendors	Nil	Nil	Nil
		(Nil)	(Nil)	(Nil)
В	Principal amount and Interest due	Nil	Nil	Nil
	thereon to MSMED parties BOTH	(Nil)	(Nil)	(Nil)
	remaining unpaid as on 31st March 2015			
С	Amount of Interest paid in terms of	Nil	Nil	Nil
	Sec 16 of MSMED Act alongwith			
	the RELATED principal amount paid	(Nil)	(Nil)	(Nil)
	during the Year			
D	Outstanding Interest (where	Nil	Nil	Nil
	principal amount has been paid off			
	to the supplier but interest amount is	(Nil)	(Nil)	(Nil)
	outstanding as on 31st March 2015)			
Е	Total Interest outstanding as on 31st	Nil	Nil	Nil
	March 2015 (Interest in 'b' + Interest	(Nil)	(Nil)	(Nil)
	in 'd' above)			

9. Legal & Professional Charges include :

	(Rs in Lacs)
Particulars	2014-15	2013-14
Auditors' Remuneration (Excl. Service Tax)		
(i) Audit Fees	5.50	4.50
(ii) Tax Audit fees	1.50	1.00
(iii) Other Services- Certification Fees	1.57	2.62

10. Deferred taxes

			(Rs in Lacs)
Sr. No	Particulars	2014-15	2013-14
(I)	Deferred Tax Liability On account of difference in written down value of Fixed Assets	(4,412.75)	(1,686.44)
(II)	Deferred Tax Asset (DTA)		
	a) Provision for Gratuity	19.68	12.19
	b) Provision for Leave Encashment	(1.27)	(2.63)
	c) On unabsorbed depreciation (restricted to deferred tax liability)	4,394.34	1,676.88
	Net deferred tax liability	Nil	Nil

Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are

Notes attached to and forming part of Financial Statements

measured using tax rates enacted or substantively enacted as at the Balance Sheet date. Deferred tax assets are not recognized unless, in the management judgment, there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of Deferred Tax is reviewed at each Balance sheet date.

11. Previous Year's Expenses included under various heads of account:

		(Rs in Lacs)
	2014-15	2013-14
Legal & Professional fees	2.27	2.00
Electricity	-	4.26

12. Related Party Disclosures

Related Party disclosures as required under Accounting Standard 18 issued by the Institute of Chartered Accountants of India are given below:

a) List of related parties and description of relationships:

Parties where control exists:

- i) Ultimate Holding Company
 - RDA Holdings Pvt. Ltd.
- ii) Holding Company Thermax Limited
- iii) Fellow Subsidiaries

c) Transactions with the Related Parties

Thermax Engineering Construction Company Ltd (India)

Thermax Onsite Energy Solutions Limited (India)

Thermax Instrumentation Ltd (India)

Thermax Sustainable Energy Solutions Ltd (India)

Thermax International Ltd (Mauritius)

Thermax Senegal SARL (Step down subsidiary of Thermax International Ltd., Mauritius).

Thermax Hong Kong Ltd (Hong Kong) Thermax Europe Limited (U.K.) Thermax Inc. (U.S.A.) Thermax (Zhejiang) Cooling and Heating Engineering Company Ltd (China) Thermax SPX Energy Technologies Ltd. Thermax do Brasil Energia e Equipamentos Ltda. (Brazil) Thermax Netherlands B.V. (Netherlands) Thermax DenmarkApS (Denmark) Danstoker A/S (Denmark) Omnical Kessel- und Apparatebau GmbH (Germany) (upto September 8, 2014) Ejendomsanpartsselskabet Industrivej Nord 13 (Netherlands) Rifox-Hans Richter GmbH(Germany) Thermax SBN. BHD. (Malaysia) Boilerworks A/S (Denmark) Boilerworks Properties ApS (Denmark) Thermax Engineering Singapore Pte Ltd PT Thermax International Indonesia (Step down subsidiary of Thermax Engineering Singapore Pte Ltd) Party having significant influence : Babcock & Wilcox India Holdings INC.

Babcock & Wilcox Power Generation Group.

Fellow Subsidiaries

- Babcock & Wilcox Volund.
- b) Key Management Personnel
 Mr. Deepak Chopra Chief Executive Officer.

Particulars			2014-15 (2	013-14)			
	Thermax Limted	Thermax SPX Energy Technologies Ltd.	Babcock & Wilcox India Holdings INC	Babcock & Wilcox Power Generation Group	Babcock & Wilcox Volund	Key Management Personnel	Total
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
Equity Infusion/Share Application Money	Nil (5,789)		Nil (5,562)				Nil (11,351)
Services / Job work done	50 (3)						50 (3)
Consultancy services obtained				135 (40)			135 (40)
Purchase	461 (1,578)						461 (1,578)
Sale	3,215 (4)						3,215 (4)
Advances outstanding	Nil (132)			9,446 (Nil)	1,159 (Nil)		10,605 (132)
Debtors balance outstanding	185 (11)	4 (5)					189 (16)
Creditors balances outstanding	Nil (1,895)			146 (1,703)			146 (3,598)
Personnel Cost & Other Expenses						405 (342)	405 (342)
Guarantees and Collateral	6,630 (Nil)			6,630 (Nil)			13,000 (Nil)

Figures in brackets denote previous year

Notes attached to and forming part of Financial Statements

13. Operating Leases

The company has entered into non-cancellable leasing arrangements for an office premise. The total lease payments recognized in the Profit and Loss Account towards the said leases amounts to Rs 205.86 lacs. (Previous Year: Rs 197.27 lacs) The future lease payments in respect of the above are as follows:

(Rs in Lacs)

	(ito in Eaco)
Particulars	2014-15	2013-14
Not later than one year	205.86	197.27
Later than one year but not later than three years	NIL	451.63
Later than three years but not later than five years	NIL	NIL

The above leasing agreement has been cancelled and company will be shifting to new premises in August 2015.

14. Earning Per Share (EPS)

Earnings per share calculated in accordance with Accounting Standard 20 issued by the Institute of Chartered Accountants of India.

		(Rs in Lacs)
Particulars	2014-15	2013-14
Net profit/(loss) for Shareholders (Rs. Lacs)	(12,368.59)	(5,309.72)
Weighted average number of Equity Shares of Rs. 10 each	38,50,00,000	30,20,88,475
Basic and Diluted earnings per share (Rs.) Face Value per share of Rs 10/- each (Previous Year: Rs 10)	(3.21)	(1.76)

15. Hedging instruments

The Company takes forward contracts/options to hedge exposures arising out of net foreign currency payables and receivables.

The Net Open Position for Imports is covered by simple forward and range forward as given below:

Particulars	2014-15	2013-14
Amount USD (million)	0.60	5.03
Forward Rate (Rs)	63.08	62.30
Closing Rate (Rs)	62.57	58.52
Gain/(Loss) (Rs in Lacs)	(3.04)	199.57
Amount Eur (million)	1.30	0.32
Forward Rate (Rs)	75.66	86.27
Closing Rate (Rs)	67.15	84.85
Gain/(Loss) (Rs in Lacs)	(110.43)	(8.34)
Amount JPY (million)	1.12	-
Forward Rate (Rs)	0.5358	-
Closing Rate (Rs)	0.5217	-
Gain/(Loss) (Rs in Lacs)	(0.16)	-

b) The Net Open Position for Exports is covered by simple forward and range forward as given below:

Particulars	2014-15	2013-14
Amount USD (million)	72.58	-
Forward Rate (Rs)	65.92	-
Closing Rate (Rs)	62.53	-
Gain/(Loss) (Rs in Lacs)	2457.78	-
Amount Eur (million)	6.91	-
Forward Rate (Rs)	76.70	-
Closing Rate (Rs)	67.11	-
Gain/(Loss) (Rs in Lacs)	663.33	-

c) The unhedged exposure of foreign currency transactions is as follows:

		(Rs in Lacs)
Particulars	2014-15	2013-14
Payables	1.23	316.84

- 16. The Company has received a draft assessment order u/s 144C(1) of Income Tax Act,1961, for A Y 2011-12 adding back arm's length adjustment of Rs 3148 Lacs disallowed by the transfer pricing officer by his order dated 16/01/2015. The assessing officer has also disallowed Rs 8 Lacs u/s 14A. The adjustment has resulted in company being assessed with a total income of Rs 1833 Lacs. Computation of tax is yet to be done. The company has appealed against the said order to Dispute Resolution Panel (DRP).
- 17. Disclosure as required by AS -29 (Contingent Liabilities and Provision)

		(Its III Lacs)
Particulars	Warranty Provision	
	2014-15	2013-14
Opening Balance (as on April 1st)	13.00	-
Additions during the year	55.14	13.00
Utilisation during the year	-	-
Reversals during the year	-	-
Closing Balance (as on March 31st)	68.14	13.00

(Re in Lace)

18. During the year, the Company has carried out an internal and external technical evaluation of useful lives of its fixed assets. Based on such evaluation, depreciation for the assets has been charged based on their remaining useful life so evaluated. Had the Company continued to depreciate the said assets at the rates specified in Schedule XIV to the Companies Act 1956, the charge for depreciation would have been lower by Rs. 770 lacs for the current year.

19. Change in Accounting Policy for forward contracts:

In previous year the difference between the forward rate and the exchange rate at the inception of the forward contract for underlying transaction was recognised as income or expense over the life of the contract.

During current financial year, the Company has adopted principles of hedge accounting in accounting for Foreign Currency Forward Contracts. Foreign currency forward contracts are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of such contracts, which are designated and effective, are recorded in the Hedging Reserve account. The accumulated changes in fair value recorded in the hedging reserve account are transferred to the statement of profit and loss in the same period during which the underlying transactions affect statement of profit and loss and / or the foreign currency forward contract expires or is exercised, terminated or no longer qualifies for hedge accounting.

The impact of change in accounting method in the financial statements is as follows.

Reversal of expenses on account of Import Forward Cover premium for the current year Rs. 75.66 lacs on unpaid liabilities.

Income booked on account of revaluation of foreign currency to the extent of project revenue recognised is Rs. 88.56 lacs and expense booked on revaluation of Customer advances Rs. 31.08 lacs.

Net result of the above restatement is increase in income Rs. 133.14 lacs

Other current liability on account of forward contract payable reduced by Rs 107.71 lacs and other current assets on account of forward contract receivable reduced by Rs 32.05 lacs.

Hedging Reserve created Rs. 515.94 lacs, corresponding other Current Assets (Foreign Exchange Forward Contracts) created Rs 604.51 lacs and other Current Liability Rs. 31.08 lacs.

20. Segment Reporting:

Primary Segment:

Based on the guiding principles given in the Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company is operating in a single business segment, viz Energy.

Secondary Segment:

Notes attached to and forming part of Financial Statements

Secondary segments have been identified with reference to geographical location of external customers. Composition of secondary segments is as follows:

- a. India
- b. Outside India

Information about Secondary Segments is as follows:

		(Rs. in lacs)
Particulars	2014-15	2013-14
Revenue		
India	1,889.97	1,582.59
Outside India	1,749.00	-
Total Revenue	3,638.98	1,582.59
Carrying amount of Segment Assets:		

Prasad V. Paranjape Partner Membership No. 047296

Pune, 14th May 2015

For and on behalf of the Board Amitabha Mukhopadhyay Director

Deepak Chopra Manager

Pune, 14th May 2015

		(Rs. in lacs)
Particulars	2014-15	2013-14
India	77,843.42	76,066.11
Outside India	Nil	Nil
Additions to Fixed Assets:		
India	3,622.08	54,233.18
Outside India	Nil	Nil

21. The financial statements are not authenticated by the Chief Financial Officer and Company Secretary as required under sections 134(1) of the Companies Act 2013. Necessary steps are being taken by the Company to appoint a CFO and Company Secretary.

22. Previous year's figures have been regrouped / rearranged wherever necessary to conform to this year's classification.

Ravinder Advani Director For the convenience of the readers of this compilation, in the audited financial statements of overseas subsidiaries prepared in local currencies, equivalent rupee amounts have also been additionally stated converted at the exchange rates as on March 31, 2015.

THERMAX EUROPE LIMITED

Board of Directors

A M Vaishnav A R Shah

Secretary

JD Secretariat Limited

Registered Office

I Lumley Street Mayfair London W1K 6TT

Senior Statutory Auditor

Nicholas John Paling FCCA



Slaven Jeffcote LLP 1 Lumley Street Mayfair London W1K 6TT

Bankers

Natwest Bank

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015

The directors present their strategic report for the year ended 31 March 2015.

REVIEW OF BUSINESS

The performance for financial year FY 14-15 has been robust with some large projects being successfully executed.

In comparison to last year, the year closed with a turnover of £ 9.43 Million (previous year £4.84 million.) The pretax profit stands at £ 685,173 (previous year £ 269,211). The order booking for the year stands at £ 6.5 Million. The southern European markets of Spain and Portugal have not been able to perform well due to withdrawal of government support to cogeneration and renewables sector in general and squeeze on funding to public projects like hospitals, which are the main segments for our business. The increased strength of GBP Vs Euro during the year affected our pre tax profit due to revaluation of accounts held in Euro denomination, resulting in a foreign exchange loss of £ 383,696.

The Heat pump business continues to have a market as it is applied to district heating networks and as part of energy efficiency schemes for such plants.

The revenue from spares and service has exceeded expectation and in line with our overall after sales strategy.

The outlook for 2015-16: The markets in UK and southern Europe will continue to be subdued and the company aims to focus on Heat pump business in Scandinavia, chiller projects in Germany & Italy and projects involving non standard applications using absorption technology like zero degree, to meet the budget.

On behalf of the Board:

A R Shah - Director

Date: 5 May 2015

Directors' Report for the year ended 31 March 2015

The directors present their report with the financial statements of the company for the year ended 31 March 2015.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2015.

DIRECTORS

The directors set out in the table below have held office during the whole of the period from 1 April 2014 to the date of this report.

The directors shown below were in office at 31 March 2015 but did not hold any interest in the Ordinary shares of £1 each at 1 April 2014 or 31 March 2015.

A. M. Vaishnav

A R Shah

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board:

A R Shah - Director Date: 5 May 2015

THERMAX EUROPE LIMITED

Report of the Independent Auditors to the Members of Thermax Europe Limited

We have audited the financial statements of Thermax Europe Limited for the year ended 31 March 2015 on pages five to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Nicholas John Paling FCCA (Senior Statutory Auditor)

for and on behalf of Slaven Jeffcote LLP Chartered Certified Accountants and Statutory Auditors

1 Lumley Street Mayfair London W1K 6TT Date: 5 May 2015

Profit and Loss Account for the year ended 31 March 2015

		20	15	201	4
	NOTE	£	Rs Lacs	£	Rs Lacs
Turnover	2	9,430,577	8,732.02	4,838,887	4,830.28
Cost of sales		7,689,614	7,120.01	3,839,498	3,832.67
Gross profit		1,740,963	1,612.00	999,389	997.61
Administrative expenses		1,069,183	989.98	751,338	750.00
Other operating income		-	-	1,788	1.78
Operating profit	4	671,780	622.02	249,839	249.39
Interest receivable and similar income		13,393	12.40	19,372	19.34
Profit on ordinary activities before taxation		685,173	634.42	269,211	268.73
Tax on profit on ordinary activities	5	143,683	133.04	66,743	66.62
Profit for the financial year after taxation		541,490	501.38	202,468	202.11

Continuing Operations

None of the company's activities were acquired or discontinued during the current year or previous vear.

Total Recognized gains and losses

The company has no recognized gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements Exchange rate : as at 31 March 2015 is £= Rs 92.59 Exchange rate : as at 31 March 2014 is £= Rs 99.82

Cash Flow Statement for the year ended 31 March 2015

	2015		2014		
	NOTE	£	Rs Lacs	£	Rs Lacs
Net cash inflow from	1	270,389	250.36	80,887	80.74
operating activities					
Returns on investments and servicing of finance	2	13,393	12.40	19,372	19.34
Taxation		(151,743)	(140.50)	(102,884)	(102.70)
Capital expenditure	2	(3,080)	(2.85)	(2,953)	(2.95)
Increase / (Decrease) in cash in the period		128,959	119.41	(5,578)	(5.57)

Reconciliation of net cash flow to movement in net funds

		2015		2014	
	NOTE	£	Rs Lacs	£	Rs Lacs
Increase / (Decrease) in cash in the period		128,959	119.41	(5,578)	(5.57)
Change in net funds resulting from cash flows		128,959	119.41	(5,578)	(5.57)
Net Funds at 1 April 2014		1,402,743	1,298.84	1,408,321	1,405.81
Net Funds at 31 March 2015	3	1,531,702	1,418.24	1,402,743	1,400.25

The notes form part of these financial statements.

Balance Sheet as at 31 March 2015

		201	15	201	4
	NOTE	£	Rs Lacs	£	Rs Lacs
Fixed assets					
Tangible fixed assets	6	4,517	4.18	3,953	3.95
Current assets					
Stocks	7	1,294,841	1,198.93	503,090	502.19
Debtors	8	3,738,106	3,461.21	2,104,579	2,100.83
Cash at bank and in hand		1,531,702	1,418.24	1,402,743	1,400.25
		6,564,649	6,078.38	4,010,412	4,003.28
Creditors:					
Amounts falling due within one year	9	(2,767,477)	(2,562.48)	(754,166)	(752.82)
Net current assets		3,797,172	3,515.90	3,256,246	3,250.45
Total assets less current liabilities		3,801,689	3,520.08	3,260,199	3,254.40
Capital and reserves					
Called up share capital	11	200,000	185.19	200,000	199.64
Profit and loss account	12	3,601,689	3,334.90	3,060,199	3,054.75
Shareholders' funds	15	3,801,689	3,520.08	3,260,199	3,254.40
The financial statements were approved by the Board of Directors on 5 May 2015 and were signed on its behalf by:					

on its behalf by:

A R Shah Director

Notes to the Cash Flow Statement for the year ended 31 March 2015

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015	2014
	£	£
Operating profit	671,780	249,839
Depreciation charges	2,515	2,601
Miscellaneous	1	2
(Increase)/decrease in stocks	(791,751)	125,064
(Increase)/decrease in debtors	(1,633,527)	131,124
Increase/(decrease) in creditors	2,021,371	(427,743)
Net cash inflow from operating activities	270,389	80,887

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2015	2014
	£	£
Returns on investments and servicing of finance		
Interest received	13,393	19,372
Net cash inflow for returns on investments and servicing of finance	13,393	19,372
Capital expenditure		
Purchase of tangible fixed assets	(3,080)	(3,357)
Sale of tangible fixed assets	-	404
Net cash outflow for capital expenditure	(3,080)	(2,953)
ANALYSIS OF CHANGES IN NET FUNDS		

3.

	At		At
	1.4.14	Cash flow	31.3.15
	£	£	£
Net cash:			
Cash at bank and in hand	1,402,743	128,959	1,531,702
Total	1,402,743	128,959	1,531,702

THERMAX EUROPE LIMITED

Notes to the Financial Statements for the year ended 31 March 2015

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	-	20% on cost
Fixtures and fittings	-	20% on cost
Computer equipment	-	33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2015	2014
	£	£
United Kingdom	871,286	452,169
Rest of World	8,559,291	4,386,718
	9,430,577	4,838,887

3. STAFF COSTS

	2015	2014
	£	£
Wages and salaries	252,886	238,964
Social security costs	31,457	32,999
Other pension costs	2,571	2,571
	286,914	274,534

The average monthly number of employees during the year was as follows:

	2015	2014
Director	2	2
Administration	7	5
	9	7

4. **OPERATING PROFIT**

The operating profit is stated after charging

	2015	2014
	£	£
Other operating leases	7,200	7,481
Depreciation - owned assets	2,515	2,602
Auditors' remuneration	2,200	2,100
Foreign exchange differences	383,696	58,412
Directors' remuneration	-	-

2015

2014

5. TAXATION

Analysis of the tax charge The tax charge on the profit on ordinary activities for the year was as follows:

	2015	2014
	£	£
Current tax:		
UK corporation tax	143,683	66,743
Tax on profit on ordinary activities	143,683	66,743

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2015	2014
	£	£
Profit on ordinary activities before tax	685,173	269,211
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2014 - 23%)	143,886	61,919
Effects of: Expenses not deductible for tax purposes	-	42
Capital allowances in excess of depreciation	(203)	(286)
Bad Debts Provision	-	5,068
Current tax charge	143,683	66,743
Factors that may affect future tax charges		

There were no factors that may affect future tax charges.

6. TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
COST				
At 1 April 2014	3,093	5,720	11,265	20,078
Additions	-	-	3,080	3,080
Reclassification/ transfer	-	-	(1)	(1)
At 31 March 2015	3,093	5,720	14,344	23,157
DEPRECIATION				
At 1 April 2014	2,985	4,596	8,544	16,125
Charge for year	46	246	2,223	2,515
At 31 March 2015	3,031	4,842	10,767	18,640
NET BOOK VALUE				
At 31 March 2015	62	878	3,577	4,517
At 31 March 2014	108	1,124	2,721	3,953

7. STOCKS

Stocks

2014	2015
£	£
503,090	1,294,841

DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR 8.

	2015	2014
	£	£
Trade debtors	3,259,774	1,566,524
Amounts owed by group undertakings	458,442	344,736
Rifox-Hans Richter GmBH	-	165,289
Interest Accrued	2,499	21,074
VAT	9,428	-
Prepayments	7,963	6,956
	3,738,106	2,104,579

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade creditors	121,581	16,763
Amounts owed to group undertakings	2,387,452	486,728
Tax	33,683	41,743
Social security and other taxes	8,348	5,927
VAT	-	4,440
Customer Advance Payments	45,659	43,150
Accrued expenses	170,754	155,415
	2,767,477	754,166

10. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Land and buildings	
	2015	2014
	£	£
Expiring:		
Within one year	7,500	7,500

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

		Nominal	2015	2014
Number:	Class:	value:	£	£
200,000	Ordinary	£1	200,000	200,000

12. RESERVES

	Profit and loss account
	£
At 1 April 2014	3,060,199
Profit for the year	541,490
At 31 March 2015	3,601,689

13. RELATED PARTY DISCLOSURES

Thermax Limited owns 100% of the shares in Thermax Europe Limited.

During the year Thermax Europe Limited made sales amounting to £224,605 (2014:£245,086) to Thermax Limited and £711,254 (2014: £692,829) to Danstoker A/S. Purchases were made in the year from Thermax Limited of £6,440,845 (2014: £2,779,344), Thermax (Zhejiang) Cooling & Heating Engineering Co.Ltd. (China) of £1,386,254 (2014: £391,471) and Danstoker A/S £34,745 (2014: £42,823).

At 31/03/2015 Thermax Europe Limited was owed £79,097 (2014: £88,331) from Thermax Limited, £7,381 (2014: £nil) from Thermax (Zhejiang) Cooling & Heating Engineering Co.Ltd. (China) and £458,442 (2014: £256,405) from Danstoker A/S. Thermax Europe Limited also owed £2,178,676 (2014:£397,117) to Thermax Limited, £295,253 (2014: \$5,620) to Thermax (Zhejiang) Cooling & Heating Engineering Co.Ltd. (China) and £nil (2014:£3,992) to Danstoker A/S.

On 16 October 2013 the board granted a loan not exceeding 200,000 Euros to Rifox-Hans Richter Gmbh at an interest rate of 3.6% for a term of up to 1 year. The final instalment was repaid on 16 March 2015.

14. ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking is RDA Holdings Private Limited, a company incorporated in India.

The immediate parent company is Thermax Limited, a company incorporated in India.

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015	2014
	£	£
Profit for the financial year	541,490	202,468
Net addition to shareholders' funds	541,490	202,468
Opening shareholders' funds	3,260,199	3,057,731
Closing shareholders' funds	3,801,689	3,260,199

16. CHARGE

A Charge was created on 17 September 2010 in respect of a rent deposit deed for $\pounds 2,956$.

A charge on a cash deposit dated 23 February 2010 and created by Thermax Europe Limited for securing all monies due or to become due from the company to the Bank of Baroda was registered on 9 March 2010.

17. WARRANTY GUARANTEE

A cash deposit has been placed with the Bank of Baroda to cover warranty obligations on an overseas contract.

THERMAX INTERNATIONAL LIMITED

Board of Directors

Pheroz Pudumjee (Resigned on 12 Jan 15) Meher Pudumjee (Resigned on 12 Jan 15) Yuvraj Thacoor (Resigned on 23 Jan 15) A. Sattar Hajee Abdoula (Resigned on 23 Jan 15) Amitabha Mukhopadhyay (Appointed on 12 Jan 15) Gajanan Kulkarni (Appointed on 12 Jan 15) Farhana Alimohamed (Appointed on 23 Jan 15) Nundan Sharma Doorgakant (Appointed on 23 Jan 15)

Registered Office

9th Floor, Ebene Tower 52 Cybercity Ebene Republic Of Mauritius

Auditors

Yousouf Peerbaye, F.C.A Chartered Accountant 6th Floor, Richard House Remy Ollier Street, Port-Louis, Republic of Mauritius

Administrator & Secretary

Anex Management Services Ltd 9th Floor, Ebene Tower 52 Cybercity Ebene Republic Of Mauritius

Bankers

HSBC Bank (Mauritius) Ltd

COMMENTARY OF THE DIRECTORS

The directors have pleasure in submitting their annual report together with the audited financial statements of Thermax International Limited, the "Company", for the year ended 31 March 2015.

PRINCIPAL ACTIVITY

The principal activity of the Company is to engage in investment holding.

RESULTS

The results for the year are as shown in the statement of comprehensive income.

DIRECTORS

The present membership of the Board is set out on page 2.

None of the directors has any beneficial interest in the shares of the Company.

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance, changes in equity and cash flows of the Company. In preparing those financial statements, the directors are required to:

- · select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditor, Yousouf Peerbaye, has indicated his willingness to continue in office and a resolution concerning his re-appointment will be proposed at the Annual Meeting of the shareholder.

REPORT FROM THE SECRETARY

We certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under the Mauritius Companies Act 2001, in terms of section 166(d) for the year ended 31 March 2015.

for Anex Management Services Ltd

Corporate Secretary Date: 29 April 2015

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDER OF THERMAX INTERNATIONAL LIMITED

This report is made solely to the shareholder of Thermax International Limited, the "Company", as a body in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state to the shareholder in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Financial Statements

We have audited the financial statements of Thermax International Limited, "the Company" which comprise the statement of financial position at 31 March 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for companies holding a Category 1 Global Business Licence and in compliance with the requirements of the Mauritius Companies Act 2001. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 auditors' 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 auditors consider internal control relevant to the entity'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 accounting estimates made by the directors, as well as the overall presentation of the financial statements.

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, the financial statements on pages 7 to 22 give a true and fair view of the financial position of the Company at 31 March 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for companies holding a Category 1 Global Business Licence and in compliance with the requirements of the Mauritius Companies Act 2001.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

- we have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- we have obtained all the information and explanations we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Other Matters

This report is made solely to the members of the Company as a body in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member as a body, for our audit work, for this report, or for the opinions we have formed.

 Yousouf Peerbaye, F.C.A

 Chartered Accountant

 Date: 29 April 2015
 Port Louis, Mauritius

THERMAX INTERNATIONAL LIMITED

Income Statement for the year ended 31 March 2015

PARTICULARS	Notes	2015	5	2014	
		USD	Rs Lacs	USD	Rs Lacs
INCOME					
Dividend		40,000	25.00	30,000	17.97
		40,000	25.00	30,000	17.97
EXPENSES					
Management Fees		2,200	1.37	2,200	1.32
Licence Fees		2,188	1.37	1,500	0.90
Bank charges		1,960	1.22	25	0.01
ROC Fees		360	0.22	360	0.22
Audit Fees		805	0.50	805	0.48
Accountancy Fees		1,500	0.94	1,500	0.90
Professional Fees		674	0.42	-	-
Taxation Fees		1,000	0.62	1,000	0.60
TRC Renewal		550	0.34	-	-
Disbursements Fees		643	0.40	690	0.41
		11,880	7.42	8,080	4.84
Exchange Gain		8	0.00	-	-
Profit for the year before taxation		28,128	17.58	21,920	13.13
Taxation	4				
Profit for the year	+	28,128	17.58	21,920	13.13

Balance Sheet as at 31 March 2015

PARTICULARS	Notes	20	2015		14	
		USD	Rs Lacs	USD	Rs Lacs	
Non-current assets						
Investments	6	695,251	434.50	500,001	299.55	
		695,251	434.50	500,001	299.55	
Current assets						
Prepayments		1,258	0.79	1,695	1.02	
Dividend receivable		40,000	25.00	30,000	17.97	
Cash at bank and in hand		27,337	17.08	4,021	2.41	
		68,595	42.87	35,716	21.40	
Total assets		763,846	477.37	535,717	320.95	
EQUITY AND LIABILITIES						
Capital and reserves						
Stated Capital	7	3,442,300	2,151.27	3,242,300	1,942.46	
Revenue Reserve		(2,708,803)	(1,692.87)	(2,708,803)	(1,622.84)	
Retained earnings		(1,084)	(0.68)	(23,005)	(13.78)	
Profit for the year		28,128	17.58	21,920	13.13	
		760,541	475.30	532,412	318.97	
Current liabilities						
Accruals		3,305	2.07	3,305	1.98	
Total equity and liabilities		763,846	477.37	535,717	320.95	
Approved by the Board of Directors on 29 April 2015, and signed on its behalf by						

Approved by the Board of Directors on 29 April 2015 and signed on its behalf by:

Exchange Rate : as at 31 March 2015 is 1 US \$ = Rs 62.50 Exchange Rate : as at 31 March 2014 is 1 US \$ = Rs 59.91

Director The notes on pages 11 to 22 form an integral part of these financial statements.

Farhana Alimohamed

Statement of changes in Equity for the year ended 31 March 2015

PARTICULARS	Share Capital		Revenue	Deficit	Total	
	USD	Rs Lacs	USD	Rs Lacs	USD	Rs Lacs
Balances at 1st April 2013	3,242,300	1,942.46	(2,731,808)	(1,636.63)	510,492	305.84
Issue of shares	-	-	-	-	-	-
Profit for the year	-	-	21,920	13.13	21,920	13.13
Balances at 31st March 2014	3,242,300	1,942.46	(2,709,888)	(1,623.49)	532,412	318.97
Balances at 1st April 2014	3,242,300	2,026.28	(2,709,888)	(1,693.54)	532,412	332.73
Issue of shares	200,000	124.99	-	-	200,000	124.99
Profit for the year	-		28,128	17.58	28,128	17.58
Balances at 31st March 2015	3,442,300	2,151.27	(2,681,760)	(1,675.97)	760,540	475.30

Cash Flow Statement for the year ended 31 March 2015

Nundan Sharma Doorgakant

Director

Cash flows from operating activities Profit for the year Adjustment for: (Increase)/ Decrease in prepayments Increase/ (Decrease) in accruals	USD 28,128 438	Rs Lacs 17.58 0.27	USD 21,920 (340)	Rs Lacs 13.13 (0.20)
Profit for the year Adjustment for: (Increase)/ Decrease in prepayments	438		(340)	
Adjustment for: (Increase)/ Decrease in prepayments	438		(340)	
(Increase)/ Decrease in prepayments		0.27	· /	(0.20)
, , , , , , , , , , , , , , , , , , , ,		0.27	· /	(0.20)
Increase/ (Decrease) in accruals	-	-		(
	20 5//		(30)	(0.02)
Net cash used in operating activities	28,566	17.85	21,550	12.91
Cash flow from investing activities				
Dividend receivables	(10,000)	(6.25)	(30,000)	(17.97)
Investment in subsidiary	(195,250)	(122.02)	-	-
Net cash inflow from investing activities	(205,250)	(128.27)	(30,000)	(17.97)
Cash flow from financing activities				
Ordinary Shares	200,000	124.99	-	-
Net cash inflow from financing activities	200,000	124.99		-
Net Increase / (Decrease) in cash and cash equivalents	23,316	14.57	(8,450)	(5.06)
Cash and cash equivalents at start of year	4,021	2.51	12,471	7.47
Cash and cash equivalents at end of year	27,337	17.08	4,021	2.41
Cash and cash equivalents made up of:				
Bank balance	27,337	17.08	4,021	2.41

The notes on page 11 to 22 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1. COMPANY PROFILE

Thermax International Limited, the "Company", is a private company with limited liability and was incorporated on 24 January 2000. The Company was granted a Category 1 Global Business Licence under the Financial Services Act 2007. (The surviving Act of the former Financial Services Development Act 2001)

The principal activity of the company is to hold investments and its registered office is at 9th Floor, Ebene Tower, 52 Cybercity, Ebene, Republic of Mauritius.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

2.1 New and revised standards that are effective for the year beginning on 01 April 2014

In the current year, the Group has adopted, where appropriate, the following new and revised standards issued by the International Accounting Standards Board ("IASB").

IAS 39	Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39)
IAS 36	Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36)
IFRIC 21	Levies
IFRS 10, 12 and IAS 27	Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)
IAS 32	Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)

2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the company

IFRS 9 - Financial Instruments

The IASB aims to replace IAS 39 'Financial Instruments: Recognition and Measurement' (IAS 39) in its entirety with IFRS 9.

IFRS 15 - Revenue from Contracts with Customers

IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 'Revenue', IAS 11 'Construction Contracts', and several revenuerelated Interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities.

IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

IAS 27 – Equity Method in Separate Financial Statements (Amendments to IAS 27)

The amendments to IAS 27 will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.

IAS 16 and IAS 41 – Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)

The amendments to IAS 16 and IAS 41 define and require biological assets that meet the definition of a bearer plant to be accounted for as property, plant and equipment in accordance with IAS 16, instead of IAS 41. The produce growing on bearer plants continues to be accounted for in accordance with IAS 41.

IAS 16 & IAS 38 - Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)

The amendments to IAS 16 'Property, Plant and Equipment' and IAS 38 'Intangible Assets' stem from concerns regarding the use of a revenuebased method for depreciating an asset. By way of background, the two standards require that a depreciation or amortisation method should reflect the expected pattern of consumption of the future economic benefits of the asset.

The amendments to IAS 16 prohibit the use of a revenue-based depreciation method for property, plant and equipment.

The amendments to IAS 38 present a rebuttable presumption that a revenuebased amortisation method for intangible assets is inappropriate.

This rebuttable presumption can be overcome, i.e a revenue-based amortisation method might be appropriate, only in two limited circumstances:

- the intangible asset is expressed as a measure of revenue, for example when the predominant limiting factor inherent in an intangible asset is the achievement of a revenue threshold, or
- when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

IFRS 11 - Accounting for Acquisition of Interests in Joint Operations (Amendments to IFRS 11)

These amendments provide guidance on the accounting for acquisitions of interests in joint operations constituting a business. The amendments require all such transactions to be accounted for using the principles on business combinations accounting in IFRS 3 'Business Combinations' and other IFRSs except where those principles conflict with IFRS 11. Acquisitions of interests in joint ventures are not impacted by this new guidance.

IFRS 14 - Regulatory Deferral Accounts

IFRS 14 has been published as an interim standard that will allow entities that adopt IFRS for the first-time to preserve the existing accounting policies that they have in place for rate-regulated activities with some modifications designed to enhance comparability (the standard requires that the effect of recognising the deferred account balances that arise from rate regulation is presented separately from other items).

IAS 19 - Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)

⁶Amendments to IAS 19' makes narrow scope amendments to IAS 19 ⁶Employee Benefits' which clarify the requirements on how contributions from employees (or third parties) that are linked to service should be attributed to periods of service when accounting for post-employment defined benefit plans and permit a practical expedient if the amount of the contributions is independent of the number of years of service.

3. ACCOUNTING POLICIES

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) including International Accounting Standards (IAS) issued by the International Accounting Standards Board (IASB) and interpretations of the IAS and IFRS by the International Financial Reporting Interpretations Committee (IFRIC).

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting date. Actual results could differ from those estimates.

(b) Basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and under the historical cost convention. The preparation of financial statements in accordance with IFRS and generally accepted accounting principles requires the directors to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

THERMAX INTERNATIONAL LIMITED

(c) Investments in subsidiary

Investment in subsidiary is stated in the Company's balance sheet at cost less impairment losses since the fair value cannot be reliably measured

(d) Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment (if any). An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's net selling price and its value in use. Impairments are recognised as an expense in profit or loss.

(e) Consolidation

Subsidiaries are those companies controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of a company so as to obtain benefits from its activities.

No consolidated financial statements are presented since the company itself is a wholly owned subsidiary of a company incorporated in India which prepares consolidated financial statements under Indian GAAP.

Subsidiaries are consolidated from the date on which control is transferred to the Company to the date on which control ceases. In preparing the consolidated financial statements, intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless cost cannot be recovered.

(f) Foreign currencies

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in United States Dollar (USD), which is the Company's functional and presentation currency. The Company's business or other activity is carried out in currency other than the Mauritian rupee which is a requirement of the Financial Services Act 2007

Transactions and balances

Foreign currencies transactions are translated into United States Dollars (USD) at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into USD at the rate of exchange ruling at the reporting date. Exchange differences arising on translation of assets and liabilities are dealt with in profit or loss.

(g) Revenue recognition

Revenues are recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific criteria must also be met for revenue recognition:

Other revenues

Other revenues earned by the Company are recognised on the following bases:

- Interest income as it accrues unless collectibility is in doubt.
- Dividend income when the shareholder's right to receive payment is established..

(h) Expense recognition

All expenses are accounted for in the income statement on an accrual basis.

(i) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. At the time of the effective payment, the provision is deducted from the corresponding expenses. All known risks at the reporting date are reviewed in detail and provision is made where necessary.

(j) Cash and cash equivalents

Cash comprises cash at bank. Cash equivalents are short term and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value

(k) Related party transactions

For the purpose of these financial statements, parties are considered to be related to the Company if they have the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions, or vice versa, or where the Company is subject to common control or common significant influence. Related parties may be individual or other entities.

(l) Financial instruments

Financial assets and liabilities are recognised on the statement of financial position when the Company has become a party to the contractual provisions of the instrument.

The Company's policies in respect of the main financial instruments are as follows:

Trade and other receivables

Trade and other receivables are stated at their nominal values as reduced by appropriate allowances for irrecoverable amounts.

- Trade and other payables
 - Trade and other payables are stated at their nominal values.
- · Cash and cash equivalents

Cash and cash equivalents are measured at fair values.

- Loans
 - Loans are stated at their nominal values.
- Equity instruments

Equity instruments are recorded at the proceeds received, net of direct issue costs.

(m) Stated capital

Stated capital is recognised at the fair value of consideration received. Any excess over the nominal value of shares is taken to share premium.

Costs incurred for issuing new share capital when the issuance results in a net increase or decrease to equity are charged directly to equity. Costs incurred for issuing new share capital when the issuance does not result in a change to equity are taken to the income statement.

(n) Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The validity of this assumption depends upon the continued support of the shareholders.

4. TAXATION

The taxation of income and capital gains of the Company is subject to the fiscal law and practice of Mauritius and the countries in which the company invests.

The Company being a Category 1 Global Business Company is liable to pay income on its net taxable income at a rate of 15%. The company is, however, entitled to a tax credit equivalent to the higher of actual foreign tax suffered or 80% of the Mauritius tax payable in respect of its foreign source income, thus reducing the maximum effective tax rate to 3%.

	31-Mar-15	31-Mar-14
	USD	USD
Profits before tax	28,128	21,920
Gross Up: Foreign Tax suffered	17,143	12,858
	45,271	34,778
Tax Loss Utilised	-	(30,345)
	45,271	4,433
Tax at 15%	6,791	665
Foreign Tax Credit	(6,791)	(665)
Tax (expense)/credit	NIL	NIL

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Company's accounting policies, which are described in Note 3, the directors have made the following judgements that might cause a material adjustment to the carrying amounts of financial assets and financial liabilities within the next financial year

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described in Note 3(f), the directors have considered those factors therein and have determined that the functional currency of the Company is the USD.

Unquoted investments

Determining whether unquoted investments are impaired required an estimation of the value in use of the investments. In considering the value in use, the directors have taken into consideration management accounts. Actual results could, however, differ from the estimates.

6. INVESTMENTS

		2015	2014
(i)	Value of investments	USD	USD
	Value at beginning of year	500,001	500,001
	Addition during the year	195,250	-
	Impairment loss	-	-
	Value at close of year	695,251	500,001

(ii) Details of the investments are as follows:

Investee Company	% Holding	Country of incorporation	Cost USD	Fair Value USD	Cost USD	Total USD
ME Engineering Ltd Thermax	100%	UK	2,338,635	1	-	1
Senegal SARL	100%	SENEGAL	195,250	-	195,250	195,250
Thermax Inc.	100%	U.S.A	500,000	-	500,000	500,000
			3,033,885	1	695,250	695,251

The directors are of the opinion that the investment is stated at cost since the fair value cannot be reliably measured. The directors are of the opinion that the cost is a reflective of the fair value at 31 March 2015.

7. STATED CAPITAL

	2015 USD	2014 USD
Authorised		
5,000,000 ordinary shares of USD 1 each	5,000,000	5,000,000
Issued and Fully Paid		
1,695,000 ordinary shares of USD 1 each	1,695,000	1,495,000
1,747,300 cumulative redeemable preference shares	1,747,300	1,747,300
	3,442,300	3,242,300

8. FINANCIAL INSTRUMENTS

(a) Values of financial instruments

The Company's investments are valued as described in Note 3.

The Company's other financial assets and liabilities include cash and cash equivalents, other receivables and accruals which are realised or settled within a short-term period. The carrying amounts of these assets and liabilities approximate their fair values

(b) Financial Risks

The Company's investment activities expose it to the various types of risks which are associated with the financial instruments and markets in which it invests. The following is a summary of the main risks:

(i) Market risk

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Company's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility. The Company conducts its investment operations in a manner that seeks to exploit the potential gains in the market, while limiting its exposure to market declines.

(ii) Currency risk

The Company invests in securities denominated in currencies other than its reporting currency. Consequently, the Company is exposed to the risk that the exchange rate of the USD relative to those currencies may change in a manner which has a material effect on the reported values of that portion of the Company's assets which are denominated in those currencies.

(iii) Concentration risk

The directors consider that the Company is not exposed to any concentration risk.

(iv) Liquidity risk

The Company is not exposed to any liquidity risk.

(v) Interest rate risk

The Company's exposure to interest rate risk is limited to its bank balance and the rates thereon are based on market interest rates

(c) Currency profile

The currency profile of the Company's financial assets and liabilities is as follows:

	Financial assets 2015	Financial liabilities 2015	Financial assets 2014	Financial liabilities 2014
	USD	USD	USD	USD
GBP	1	-	1	-
United States Dollars	762,587	3,305	534,021	3,305
	762,588	3,305	534,022	3,305

9. RELATED PARTY TRANSACTIONS

During the year ended 31 March 2015, the company had transactions with its related parties. The nature, volume of transactions and balances are as follows:

Nature of relationship	Nature of	Volume of		
	transactions	transactions USD	balances at 31-Mar 2015 USD	
Holding Company	Investment	200,000	-	
Subsidiary	Investment	195,250	-	
Subsidiary	Dividend Receivable	40,000	40,000	

10. HOLDING COMPANY

RDA Holdings Private Limited is now considered as the company's ultimate holding company

11. POST BALANCE SHEET EVENT

There are no material post-balance sheet events which would require disclosure or adjustments to the 31 March 2015 financial statements.

12. CONTINGENT LIABILITIES

At 31 March 2015, the Company has no material litigation claims outstanding, pending or threatened against it, which would have a material adverse effect on the Company's financial position or results of operations.

13. CAPITAL COMMITMENTS

The Company has no material capital commitments at 31 March 2015.

14. REPORTING CURRENCY

The financial statements are presented in the United States Dollars (USD)

THERMAX INC.

Board of Directors

Ashish Vaishnav S. Krishnan Abhay shah Amitabha Mukhodhayay

Registered Office

21800, Haggerty Road, Suite 112 Northville MI 48167 USA Auditors

Plante & Moran, PLLC 27400 Northwestern Highway PO Box 307 Southfield MI 48037-0307

Auditor's Report

To,

The Board of Directors of Thermax Inc.

We have audited the accompanying financial statements of Thermax Inc. (the "Company"), which comprise the balance sheet as of March 31, 2015 and 2014, and the related statements of income and retained earnings and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Balance Sheets March 31, 2015 and 2014

ASSETS	2015		2014	
	USD	Rs Lacs	USD	Rs Lacs
CURRENT ASSETS				
Cash And Cash Equivalents	1,384,305	865.12	2,057,143	1,232.43
Accounts Receivable	2,987,956	1,867.32	1,094,806	655.90
Inventory (Note 2)	2,981,580	1,863.34	2,690,465	1,611.86
Deferred Tax Assets (Note 8)	109,000	68.12	109,000	65.30
Other Current Assets	73,472	45.92	45,397	27.20
Total Current Assets	7,536,313	4,709.82	5,996,811	3,592.69
Property And Equipment, Net (Note 3)	18,250	11.41	22,701	13.60
Total Assets	7,554,563	4,721.22	6,019,512	3,606.29
LIABILITIES AND	201	5	20	14
LIABILITIES AND STOCKHOLDER'S EQUITY	201 USD	5 Rs Lacs	20 USD	14 Rs Lacs
		-		
STOCKHOLDER'S EQUITY		-		
STOCKHOLDER'S EQUITY CURRENT LIABILITIES	USD	Rs Lacs	USD	Rs Lacs
STOCKHOLDER'S EQUITY CURRENT LIABILITIES Trade accounts Payable Trade payables to related parties	USD 407,974	Rs Lacs 254.96	USD 778,300	Rs Lacs 466.28
STOCKHOLDER'S EQUITY CURRENT LIABILITIES Trade accounts Payable Trade payables to related parties (Note 4)	USD 407,974 2,823,506	Rs Lacs 254.96 1,764.55	USD 778,300 1,870,027	Rs Lacs 466.28 1,120.33
STOCKHOLDER'S EQUITY CURRENT LIABILITIES Trade accounts Payable Trade payables to related parties (Note 4) Federal taxes payable Provision for warranty and start-	USD 407,974 2,823,506 222,400	Rs Lacs 254.96 1,764.55 138.99	USD 778,300 1,870,027 165,000	Rs Lacs 466.28 1,120.33 98.85
STOCKHOLDER'S EQUITY CURRENT LIABILITIES Trade accounts Payable Trade payables to related parties (Note 4) Federal taxes payable Provision for warranty and start- up costs (Note 6)	USD 407,974 2,823,506 222,400 165,279	Rs Lacs 254.96 1,764.55 138.99 103.29	USD 778,300 1,870,027 165,000 190,604	Rs Lacs 466.28 1,120.33 98.85 114.19
STOCKHOLDER'S EQUITY CURRENT LIABILITIES Trade accounts Payable Trade payables to related parties (Note 4) Federal taxes payable Provision for warranty and start- up costs (Note 6) Customer Deposits and advances	USD 407,974 2,823,506 222,400 165,279 2,915	Rs Lacs 254.96 1,764.55 138.99 103.29 1.82	USD 778,300 1,870,027 165,000 190,604 21,600	Rs Lacs 466.28 1,120.33 98.85 114.19 12.94

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 entity'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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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, the financial statements referred to above present fairly, in all material respects, the financial position of Thermax Inc. as of March 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Plante & Moran, PLLC

April 28, 2015

Stockholder's Equity				
Common Stock, issued \$10 Par Value				
50,000 shares Authorized, issued and Outstanding	500,000	312.48	500,000	299.55
Retained Earnings	2,990,613	1,868.98	2,202,611	1,319.58
Total Stockholder's Equity	3,490,613	2,181.46	2,702,611	1,619.13
Total Liabilities And				
Stockholder's Equity	7,554,563	4,721.22	6,019,512	3,606.29

Statement of Income and retained earnings for the years ended March 31,2015 and 2014

	2015		2014	
	USD	Rs Lacs	USD	Rs Lacs
Operating Revenues	14,839,150	9,273.73	11,279,199	6,757.37
Other Revenues	124,570	77.85	137,139	82.16
Total Revenues	14,963,720	9,351.58	11,416,338	6,839.53
Costs of revenues -Production	11,576,772	7,234.90	8,540,499	5,116.61
Gross Margin	3,386,948	2,116.67	2,875,839	1,722.92
Selling general and administrative expenses	2,054,017	1,283.66	2,199,353	1,317.63
Income- Before Income Taxes	1,332,931	833.02	676,486	405.28
Income tax (Note 8)	487,786	304.84	243,543	145.91
Net Income	845,145	528.17	432,943	259.38
Dividend declared-\$ 40,000 and \$ 30,000 and related withholdings of \$ 17,143 and \$ 12,858 at March 31, 2015 and 2014, respectively	57,143	35.71	42,858	25.68
Retained Earnings, Beginning of Year	2,202,611	1,376.52	1,812,526	1,085.88
Retained Earnings, End of Year	2,990,613	1,868.98	2,202,611	1,319.58

Exchange Rate : as at 31 March 2015 is 1 US \$ = Rs 62.50

Exchange Rate : as at 31 March 2014 is 1 US \$ = Rs 59.91

Statement of Cash flows for the years ended March 31,2015 and 2014

ASSETS	201	15	2014	
	USD	Rs Lacs	USD	Rs Lacs
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income	845,145	528.17	432,943	259.38
Adjustment to reconcile net income to net cash flows from operating activities:				
Depreciation	9,321	5.83	12,445	7.46
Loss on disposal of assets	1,815	1.13	2,821	1.69
Bad debt expense (recovery)	9,991	6.24	(1,638)	(0.98)
Deferred Taxes	(2,000)	(1.25)	19,900	11.92
Changes in operating assets and liabilities which (used) provided cash:				
Accounts receivable	(1,903,141)	(1,189.37)	934,187	559.67
Inventory	(291,115)	(181.93)	(709,456)	(425.04)
Other Assets	(28,075)	(17.55)	127,468	76.37
Accounts payable	(370,326)	(231.44)	441,925	264.76
Accounts payable- Related Parties	953,479	595.88	(237,101)	(142.05)
Advances and accrued liabilities	38,715	24.19	121,113	72.56
Provision for warranty and start- up costs	(25,325)	(15.83)	(116,837)	(70.00)
Other liabilities	152,506	95.31	44,008	26.37
NET CASH (USED IN)				
PROVIDED BY OPERATING ACTIVITIES	(609,010)	(380.60)	1,071,778	642.10
CASH FLOW FROM				
INVESTING ACTIVITIES				
Purchase of property and equipment	(6,685)	(4.18)	(5,333)	(3.20)
NET CASH (USED IN) BY	(6,685)	(4.18)	(5,333)	(3.20)
INVESTING ACTIVITIES				
CASH FLOW FROM				
FINANCING ACTIVITIES				
Distribution of equity interests and related withholdings	(57,143)	(35.71)	(42,858)	(25.68)
NET (DECREASE) INCREASE IN CASH & CASH EQUIVALENTS	(672,838)	(420.49)	1,023,587	613.23
Cash & cash equivalents- Beginning of year	2,057,143	1,285.61	1,033,556	619.20
Cash & cash equivalents- End of year	1,384,305	865.12	2,057,143	1,232.43
Supplemental Cash Flow				
Information- Cash paid for Income Taxes	465,285	290.78	152,646	91.45

The accompanying Notes Are An Integral Part of These Financial Statements

Exchange Rate : as at 31 March 2015 is 1 US \$ = Rs 62.50

Exchange Rate : as at 31 March 2014 is 1 US \$ = Rs 59.91

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Notes to Financial Statements March 31, 2015 and 2014

Note 1 - Nature of Business and Significant Accounting Policies

Thermax Inc. (the "Company") was incorporated on October 23, 2000. The Company's operations consist of two segments Environment and Energy. The Environment segment consists of the sale of ion exchange resins primarily within North America. The Energy segment consists of the sale of absorption chillers with operations conducted primarily in North and South America.

The Company is a wholly owned subsidiary of Thermax International Limited (Mauritius) which, in turn, is wholly owned by Thermax Ltd., an Indian publicly listed company. Thermax Ltd. is a subsidiary of RDA Holdings Private Limited, a company incorporated in India. The Company acquires substantially all of its products for sale from Thermax Ltd. and its affiliates.

This summary of significant accounting policies of the Company is presented to assist in understanding the Company's financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Revenue Recognition - Revenue is recognized upon delivery to the customer site and acceptance by the customer, and there are either no unfulfilled Company obligations or obligations are deemed inconsequential and will not affect the customer's final acceptance of the arrangement. Any cost of these obligations is accrued when the corresponding revenue is recognized. In the Energy segment, the Company records a provision for start-up costs at the time of revenue recognition. A provision for warranty costs was recorded for sales through March 31, 2012. For sales subsequent to that date, the warranty liability was assumed by Thermax Ltd.

During the year ended March 31, 2014, the Company changed its methodology for recording revenue within the Energy segment. Sales of absorption chillers were carried out by Thermax Ltd., which in turn paid a commission to the Company on each chiller sale. During year ended March 31, 2015, the Company re-initiated recording the revenue from sales of absorption chillers within the Energy segment.

The Company occasionally receives down payments from its customers. These are recorded as customer deposits and advances on the balance sheet. Customer advances totaled \$2,915 and \$21,600 as of March 31, 2015 and 2014, respectively.

Credit Risk and Major Customers - The Company has entered into an exclusivity agreement whereby the Company has agreed to sell certain types of absorption chillers exclusively to one customer. Total sales to this customer were \$1,493,341 and \$555,600 during the years ended March 31, 2015 and 2014, respectively. Accounts receivable from this customer totaled \$678,400 and \$1,495 at March 31, 2015 and 2014, respectively.

The Company's Environment business segment includes sales to a single customer of \$2,933,475 and \$2,181,995 for the years ended March 31, 2015 and 2014, respectively. Accounts receivable from this customer totaled \$678,799 and \$350,812 at March 31, 2015 and 2014, respectively.

Advertising Expenses - Advertising expenses are charged to income during the year in which they are incurred. Advertising and promotion expenses for the years ended March 31, 2015 and 2014 were \$28,933 and \$54,501, respectively.

Cash Equivalents - The Company utilizes a money market account to earn interest on funds held.

The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

Trade Accounts Receivable - The Company's accounts receivable are primarily related to sales or ion exchange resins and vapor absorption chillers and spares. Credit is extended based on prior experience with the customer and evaluation of the customer's financial condition. Accounts receivable are generally due within 30 days. An allowance for doubtful accounts is established based on Company policy and the specific assessment of all invoices that remain unpaid following the normal customer payment periods. All accounts or portions thereof deemed to be uncollectible are written off in the period that determination is made. Management has concluded that no allowance for doubtful accounts is required at March 31, 2015 and 2014, respectively.

Property and Equipment - Property and equipment are recorded at cost. The straight line depreciation method is used for computing depreciation over the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense when incurred.

The estimated useful lives used to determine depreciation are as follows:

Furniture and fixtures	5-7 years
Office environment	5

Office equipment 5 years

Income Taxes - A current tax liability or asset is recognized for the estimated taxes payable or refundable on tax returns for the year. Deferred tax liabilities or assets are recognized for the estimated future tax effects of temporary differences between financial reporting and tax accounting.

THERMAX INC.

Notes to Financial Statements March 31, 2015 and 2014

The Company has elected to classify interest and penalties, if applicable, related to income tax obligations as a part of income tax expense.

Inventory - Inventories consist of product purchased primarily from Thermax Ltd. and are stated at the lower of cost or market, with cost determined using the average cost method. The cost of inventory includes the purchase price of the products, expenses incurred on freight, customs duty where applicable, and other incidental expenses.

Shipping and Handling Costs - Shipping and handling costs are recorded as costs of sales as they are incurred.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events - The financial statements and related disclosures include evaluation of events up to and including April 28, 2015, which is the date the financial statements were available to be issued.

Upcoming Accounting Change - In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606), which will supersede the current revenue recognition requirements in Topic 605, Revenue Recognition. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The new guidance will be effective for the Company's year ending March 31, 2019. The ASU permits application of the new revenue recognition guidance to be applied using one of two retrospective application methods. The Company has not yet determined which application method it will use or the potential effects of the new standard on the financial statements, if any.

Note 2 - Inventory

Inventory, net of reserves, at March 31, 2015 and 2014 consists of the following:

	 2015	 2014
Traded goods - Ion exchange resins and spare parts	\$ 824,556	\$ 1,262,593
Goods in transit - Ion exchange resins	1,651,524	1,427,872
Goods in transit - Chillers	505,500	-
Total inventory	\$ 2,981,580	\$ 2,690,465

The Company maintains inventory of ion exchange resins and spare parts at outside warehouses located in various states. At March 31, 2015 and 2014, net inventory valued at \$824,556 and \$1,262,593 was located at outside warehouses.

At March 31, 2015 and 2014, the Company maintained a reserve for inventory obsolescence of \$64,572 and \$71,123, respectively.

Note 3 - Property and Equipment

Property and equipment at March 31, 2015 and 2014 consist of the following:

	 2015	 2014
Office equipment	\$ 40,178	\$ 40,520
Furniture and fixtures	 21,040	 21,040
Total cost	61,218	61,560
Accumulated depreciation	42,968	38,859
Net property and equipment	\$ 18,250	\$ 22,701

Depreciation expense was 9,321 and 12,445 for the years ended March 31, 2015 and 2014, respectively.

Note 4 - Related Party Transactions

Following is a description of transactions between the Company and related parties:

Accounts Payable - At March 31, 2015 and 2014, the Company had net accounts payable to related parties totaling \$2,823,506 and \$1,870,027, respectively.

Purchases - For the years ended March 31, 2015 and 2014, the Company had purchases of ion exchange resins, absorption chillers, and spare parts from Thermax Ltd. totaling \$7,845,500 and \$6,594,516, respectively. For the years ended March 31, 2015 and

2014, the Company had purchases of absorption chillers from Thermax (Zhejiang) Cooling & Heating Engg. Co., Ltd. totaling \$737,000 and \$76,000, respectively.

Note 5 - Operating Leases

The Company conducts its operations in leased facilities in Michigan. The Company leases office space under a noncancelable operating lease that expires in December 2015. The Company has also leased office equipment and automobiles under noncancelable operating leases. The lease expense for the years ended March 31, 2015 and 2014 was \$74,982 and \$75,973, respectively.

Future minimum annual commitments under these operating leases are as follows:

	Years Ending	
Amount	 March 31	
76,275	\$ 2016	
23,135	2017	
15,750	2018	
115,160	\$ Total	

Note 6 - Warranty and Start up Costs

The Company has a policy to record provisions for start-up costs and warranties (for sales before April 1, 2012-see revenue recognition policy in Note 1 for additional information) related to the sale of vapor absorption chillers under its Energy business segment. These provisions are recorded as and when the related sales income is recorded. These provisions are based on the estimates of likely expenses for start-up of the chillers and warranty claims, considering the types of chillers, geographical location of the job sites, capacity of the chillers under consideration, and past performance data.

The Company adjusts these provisions as and when the chillers are started up and on expiration of the chiller warranties.

The Company has accrued \$106,000 and \$104,354 at March 31, 2015 and 2014, respectively, for estimated chiller start-up costs. In addition, the Company has accrued \$59,279 and \$86,250 at March 31, 2015 and 2014, respectively, for estimated future warranty claims.

Note 7 - Line of Credit

The Company has available borrowings of \$750,000 under a line of credit agreement with a bank maturing July 7, 2015. Interest is payable monthly at a rate of 3.00 percent above LIBOR (an effective rate of 3.18 at March 31, 2015) and is secured by all assets of the Company. There were no borrowings outstanding under the line of credit agreement at March 31, 2015 and 2014.

Note 8 - Income Taxes

The components of the income tax provision included in the statement of operations are all attributable to continuing operations and are detailed as follows:

	 2015	 2014
Current income tax expense	\$ 489,786	\$ 223,643
Deferred income tax (benefit) expense	(2,000)	19,900
Total income tax expense	\$ 487,786	\$ 243,543

A reconciliation of the provision for income taxes to income taxes computed by applying the statutory United States federal rate to income before taxes is as follows:

	 2015	 2014
Income tax expense - Computed at 34 percent of pretax income	\$ 453,197	\$ 230,006
State income taxes - Net of federal tax benefit	31,235	9,846
Nondeductible expenses and adjustments to prior year estimate-Net	3,354	3,691
Total income tax expense	\$ 487,786	\$ 243,543

Notes to Financial Statements March 31, 2015 and 2014

The details of the net deferred tax asset are as follows:

	 2015	 2014
Deferred tax assets:		
Warranty reserve	\$ 20,200	\$ 29,400
Inventory reserve	22,000	24,200
Section 263A	11,600	15,200
Accrued bonuses	23,800	20,500
Other	 31,400	 19,700
Gross deferred tax assets	109,000	109,000
Deferred tax liabilities - Depreciation	(6,000)	(8,000)
Net deferred tax asset	\$ 103,000	\$ 101,000

No valuation allowance has been recognized for the deferred tax assets.

The Company files income tax returns in U.S. federal and various state jurisdictions. With few exceptions, the Company is no longer subject to income tax examinations by taxing authorities for years ended before March 31, 2011. There are no pending or ongoing tax examinations.

Note 9 - Segment Information

The Company has two reportable segments, the Environment segment and the Energy segment.

The Environment segment is engaged in the distribution of ion exchange resins and the Energy segment is engaged in the distribution of absorption chillers and the sale of spares. The two segments consist of distinct product lines that are managed separately, as each has different marketing and distribution requirements.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies in Note 1. All corporate expenses have been allocated to reportable segments based on revenues generated. For the years ended March 31, 2015 and 2014, the allocation was 72 percent and 88 percent to the Environment segment and 28 percent and 12 percent to the Energy segment, respectively. Segment profit is based on operating profit before income taxes.

Intersegment charges for administrative services are allocated by management.

The following is summarized information about profit or loss, assets, and other information for each reportable segment for the years ended March 31, 2015 and 2014:

	2015	 2014
Environment Segment		
Revenue from external customers	\$ 10,691,042	\$ 9,664,821
Other revenue	119,624	122,209
Segment pre tax profit	1,258,373	573,704
Segment assets	3,863,215	3,727,769
Segment liabilities	1,739,638	2,587,255
Energy Segment		
Revenue from external customers	4,126,882	1,254,935
Commission income	21,225	359,443
Other revenue	4,946	14,930
Segment pretax profit (including commission)	74,560	102,782
Segment assets	2,148,491	82,727
Segment liabilities	1,906,493	406,178

The following are reconciliations from the segment information above to the amounts reported in the accompanying financial statements for the years ended March 31, 2015 and 2014:

	2015	2014
Revenue by Country		
United States	\$ 11,331,912	\$ 9,749,266
South America	219,780	252,221
Canada	516,217	209,137
Mexico	260,000	-
Other	2,635,811	1,205,714
Total revenue	\$ 14,963,720	\$ 11,416,338
Assets		
Total assets for reportable segments	\$ 6,011,706	\$ 3,810,496
Unallocated amounts	1,542,857	2,209,016
Total assets	\$ 7,554,563	\$ 6,019,512
Liabilities		
Total liabilities for reportable segments	\$ 3,646,131	\$ 2,993,433
Unallocated amounts	417,819	323,468
Total liabilities	\$ 4,063,950	\$ 3,316,901

Revenue is allocated based on the geographic location of the customers.

Revenue from one customer of the Environment segment represents approximately \$2,934,000 (20 percent) and \$2,182,000 (19 percent) of the Company's total revenue for the years ended March 31, 2015 and 2014, respectively. Revenue from one customer of the Energy segment represents approximately \$1,493,000 (10 percent) and \$556,000 (5 percent) of the Company's total revenue for the years ended March 31, 2015 and 2014, respectively.

Note 10 - Retirement Plan

The Company has a defined contribution profit-sharing 401(k) plan covering substantially all employees. Company contributions are discretionary. The Company has the option to match up to 50 percent of an employee's deferral amount, not to exceed 4 percent of the employee's compensation. For the years ended March 31, 2015 and 2014, the Company made matching contributions totaling \$18,524 and \$21,131, respectively.

Note 11 - Contingencies and Settlements

The Company is subject to various legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of any ultimate liability with respect to these actions, if any, will not materially affect the Company's financial statements.

THERMAX DO BRASIL – ENERGIA E EQUIPAMENTOS LTDA

Supervisory Board

Ashish Vaishnav Abhay Shah

Registered Office

Av. Paulista, 37-04 ander-Edificio Pq cultural Paulista São Paulo, SP, Brazil

Auditors

Novamir Auditoria E Servicos Contabeis CRC- SP 2SP 024.744 São Paulo, Brazil

Bankers

Banco Citibank S. A. Banco Real S. A.

AUDITOR'S REPORT

To Quotaholders

Thermax do Brasil – Energia e Equipamentos Ltda.

São Paulo - SP

- We have examined the balance sheet of Thermax do Brasil Energia e Equipamentos Ltda., as of March 31, 2015 and the related statements of income, changes in quotaholders' equity and changes in financial position for the period then ended, which are the responsibility of its management. Our responsibility is to express an opinion on these financial statements.
- 2. We conducted our audit in accordance with auditing standards generally accepted in Brazil and, accordingly, included: a) the planning of the audit work, considering the materiality of the balances, volume of transactions, and the system of internal controls of the Company; b) the verification on a test basis, of the evidence and records which support the values and information in the published financial statements; and c) evaluation of the accounting practices and the more material accounting estimates adopted by Company management as well as the presentation of the financial statements taken as a whole.
- 3. In our opinion, the financial statements referred in the paragraph 1 present fairly, in all material respects, the financial position of Thermax do Brasil Energia e Equipamentos Ltda. as of March 31, 2015, and of the results of their operations, changes in their quotaholders' equity and changes in its financial position for the period then ended, in accordance with accounting principles generally accepted in Brazil.

NOVAMIR AUDITORIA E SERVIÇOS CONTABEIS

CNPJ no. 04.933.947/0001-06 CRC- SP 2SP 024.744 São Paulo, Brazil April 22, 2015

Statement of Income for the year ended March 31, 2015

PARTICULARS	2015		2014		
	BRL	Rs Lacs	BRL	Rs Lacs	
GROSS INCOMES					
Sale of services	90,000	17.61	132,991	35.08	
	90,000	17.61	132,991	35.08	
DEDUCTION FROM GROSS INCOMES					
Tax incident on sales	(15,846)	(3.10)	(24,179)	(6.38)	
Gross profit	74,154	14.51	108,811	28.70	
OPERATING EXPENSES					
General and administrative expenses	(47,325)	(9.26)	(47,910)	(12.64)	
Financial (expenses)/ income	7,202	1.41	9,499	2.51	
Other income /(expense) including Provision for Bad Debts	(84,175)	(16.47)	-	-	
	(124,299)	(24.32)	(38,411)	(10.13)	
Net Profit / (Loss) for the period	(50,144)	(9.81)	70,400	18.57	
Taxes on income		-	(3,274)	(0.86)	
Net Profit / (Loss) for the year	(50,144)	(9.81)	67,126	17.70	

See the accompanying notes to the financial statements

Exchange Rate : As at 31 Mar 15 is 1 BRL = Rs 19.56

Exchange Rate : As at 31 Mar 14 is 1 BRL = Rs 26.38

Balance Sheets as at March 31, 2015

PARTICULARS	2015		2014	
	BRL	Rs Lacs	BRL	Rs Lacs
SOURCES OF FUNDS				
Shareholders' Funds :				
Share Capital	1,087,130	212.67	1,087,130	286.74
Accumulated losses	(836,989)	(163.73)	(786,845)	(207.54)
Total Funds Employed	250,141	48.93	300,285	79.20
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	-	-	-	-
Less: Depreciation	-	-	-	-
Net Block		-	-	-
Current Assets, Loans & Advances :				
Trade receivables	100,000	19.56	70,412	18.57
(-) Provision for doubtful accounts	(100,000)	(19.56)	-	-
Recoverable taxes	11,743	2.30	18,256	4.82
(-) Provision for losses	(10,941)	(2.14)	(10,941)	(2.89)
Cash & Bank Balances	251,389	49.18	239,116	63.07
	252,191	49.33	316,843	83.57
Less : Current Liabilities & Provisions :				
Accounts payable	-	-	-	-
Taxes payable	12,825	2.51	13,308	3.51
(-) Reversal Taxes (Bad Debts)	(12,825)	(2.51)	-	-
Other accounts payable	2,050	0.40	3,250	0.86
	2,050	0.40	16,558	4.37
Net Current Assets	250,141	48.93	300,285	79.20
Total Funds Applied	250,141	48.93	300,285	79.20

Statement of Changes in Quotaholders' Equity

	Capital		Accumulated losses		Total	
	BRL	Rs Lacs	BRL	Rs Lacs	BRL	Rs Lacs
Balances at April 1, 2014	1,087,130	212.67	(786,845)	(153.92)	300,285	58.74
Net Profit/ (Loss) for the period	-	-	(50,144)	(9.81)	(50,144)	(9.81)
Balances at March 31, 2015	1,087,130	212.67	(836,989)	(163.73)	250,141	48.93

Statement of Changes in Financial Position Year ended March 31, 2015

	2015		201	4
Sources	BRL	Rs Lacs	BRL	Rs Lacs
From Operations				
Net Profit/(loss) for the period	(50,144)	(9.81)	67,126	17.70
Expenses (incomes) that do not				
affect net working capital:				
Depreciation	-	-	-	-
Total sources	(50,144)	(9.81)	67,126	17.70
Applications		-		
Reduction in net working capital	(50,144)	(9.81)	67,126	17.70

Statement of variation in net working capital

	Marc	ch 31	Marc	h 31	Varia	tion
	2015	2015	2014	2014	2015	2015
	BRL	Rs Lacs	BRL	Rs Lacs	BRL	Rs Lacs
Current Assets	252,191	49.33	316,843	83.57	(64,652)	(12.65)
Current Liabilities	2,050	0.40	16,558	4.37	14,508	2.84
Net working capital	250,141	48.93	300,285	79.20	(50,144)	(9.81)

See the accompanying notes to the financial statements

THERMAX DO BRASIL – ENERGIA E EQUIPAMENTOS LTDA

Notes to the Financial Statements for the year ended March 31, 2015

1. Operational Context

The Company is a subsidiary of Thermax Ltd which in turn is a subsidiary of RDA Holdings Private Limited, a Company incorporated in India. The Company's business activities mainly consist of rendering services, including technical assistance, which may be provided through hiring outsourced companies.

2. Presentation of the Financial Statements

The financial statements were prepared in accordance with accounting practices emanated from the Brazilian Corporation Law.

3. Summary of the Significant Accounting Policies

a. Revenue and expenses recognition

Income and expenses are recorded on monthly accrual basis.

b. Current and long-term assets

Current and long-term assets are recorded at lower of cost or market value plus accrued income until the end of the period. An allowance is recorded in case the market value is lower than cost.

c. Current and long-term liabilities

Liabilities are recorded at known or estimated amounts.

4. Trade Receivables

Description	2015
	BRL
Accounts receivable	100.000,00
(-)Provision for Doubtful Debts	(100.000,00)
Net accounts receivable	

The Company decided to make a provision for accounts receivables due the uncertainty of receivables from Consulthermos.

5. Recoverable Taxes

Description	2015
	BRL
IRPJ – 2005	89,28
CSLL - 2005	10.851,37
IRRF – Authorized	802,03
	11.742,68
Provision for losses	(10.940,65)
Net	802.03

The value of the recoverable taxes basically represents withholding taxes by the Customers. The possibility of setting off the recoverable taxes was authorized by Federal Authorities in May, 2013.

6. Taxes and Contributions payable

Description	2015 BRL
PIS	1.485,00
COFINS	6.840,00
ISS – SALES	4.500,00
(-)Reversal Taxes - Bad Debts	(12.825,00)
Net Taxes and Contributions payable	

The above balances were compared with the tax books of the Company and subsequent events and do not present differences.

The Company recorded a reversal of taxes payable in view of the uncertainty of recovery of receivables from Consulthermos.

7. Other liabilities

Description	2015
	BRL
Rent	250,00
Audit Fee	1.800,00
TOTAL	2.050,00

8. Capital Social

The paid-in Capital is represented by R1.087.130,00 with nominal value of R1,00 (one real) each.

9. Services

The company's total sales from services amounted to R\$ 90.000,00 as presented below:

Description	2015
	BRL
Services Sales - Provision	90.000,00
Net sales	90.000,00

The services sales amounts were checked against the company's tax books and do not present differences.

The value of Services Sales represents estimated monthly invoicing to Consulthermos. A provision is recorded for bad debts in view of the uncertainty to recover the corresponding receivables from the Customer.

10. Taxes incident on Services

The company's total taxes related to service, amounted to R15.845,59, as presented below:

Description	2015 BRL
ISS - SALES	7.520,59
COFINS – SALES	6.840,00
PIS – SALES	1,485,00
TOTAL	15.845,59

11. Operating Expenses

The composition of the "Operating Expenses" account is presented below:

2015 BRL
3.000,00
41.600,00
1.800,00
655,48
270,00
47.325,48

12. Financial (expenses) income

The balance of the Financial (expenses) income and exchange variation income account is presented below:

Description	2015
	BRL
Bank Expenses	(186,67)
Finance Income	7.388,25
TOTAL	7.201,58

13. Other Income/Expense

The balance of the Other Income/Expense is presented below:

Description	2015 BRL
Provision - Bad Debts - Consulthermos	(100.000,00)
Reversal - Taxes - Consulthermos	12.825,00
Reversal - Provision - 2014 Audit Fee	3.000,00
TOTAL	(84.175,00)

14. Identified Contingencies

There are no identified tax and accounting contingencies for the year ended on March 31, 2015 (Previous Year Nil)

NOVAMIR AUDITORIA E SERVIÇOS CONTABEIS CNPJ no. 04.933.947/0001-06 CRC- SP 2SP 024.744 São Paulo, Brazil April 22, 2015

THERMAX (ZHEJIANG) COOLING & HEATING ENGINEERING CO., LTD

Supervisor

H. P. Mohgaonkar

Executive Director Ashish Vaishnav

General Manager V. Balasubramanian

Registered Office

No. 645, Chayuan Road, Jiaxing Economic Development Zone, Jiaxing, Zhejiang, PRC. Post 314003

Auditors

Zhejiang Zhong Ming Certified Public Accountants Co. Ltd. Jiaxing, China

Bankers

Industrial and Commercial Bank of China Citi Bank, China

AUDITOR'S REPORT

ZZKS[2015]NO. 1247

To,

THERMAX (ZHEJIANG) COOLING & HEATING ENGINEERING CO., LTD

We have audited the accompanying financial statements of Thermax (Zhejiang) Cooling & Heating Engineering Co., Ltd. (herein after referred as "the Company"), which comprise the balance sheet as of 31 December 2014, the income statement, cash flow statement and statement of changes in owners' equity for the year then ended and notes to the financial statements.

I. Responsibility of management

The Company's management is responsible for the preparation and fair presentation of these financial statements. This responsibility includes (1) Preparing these financial Statements in accordance with the Accounting Standards for Business Standards and Accounting System for Business Enterprises and enabling them to achieve a fair reflection; (2) designing, implementing and maintaining internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

II. Responsibility of auditors

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Independent Auditing Standards for Certified Public Accountants. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatements.

Our audit work involves implementation of audit procedures to obtain the audit evidences relating to amount and disclosure of financial statements. The selection of audit procedures depends on judgment of certified public accountants, including the appraisal of material misstatement risk of the financial statements resulting from cheating or errors. During the execution of risk appraisal, the certified public accountants have considered the internal control relating to preparation and fair presentation of financial statements to design proper audit procedures, but the purpose is not to express an opinion on validity of internal control. The audit work also includes appraising whether the management applied proper accounting policy and made reasonable accounting estimate and appraising the overall presentation of these financial statements.

We believe the audit evidences obtained by us are sufficient and proper and shall provide the basis for expressing our audit opinion.

III. Audit opinion

In our opinion, the financial statements of the Company have been prepared in accordance with Accounting Standards for Business Enterprises and the Accounting System for Business Enterprises, and present fairly, in all material aspects, the financial position of the Company as of 31 December 2014 and the results of its operations and its cash flows for the year then ended.

Zhejiang Zhong Ming Certified Public Accountants Co., Ltd Certified Public Accountant: Li Aizhong Certified Public Accountant: Luo Bin

Jiaxing, China

Date: March 16, 2015

The auditor's report and the accompanying financial statements are English translations of the Chinese auditor's report and statutory financial statements prepared under accounting principle and practices generally accepted in the People's Republic of China. These financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principle and practices generally accepted in other countries and jurisdictions .In case the English version does not conform to the Chinese version, the Chinese version prevails.

THERMAX (ZHEJIANG) COOLING & HEATING ENGINEERING CO., LTD

Balance Sheet as at 31 December, 2014

PARTICULARS	201	4	2013		
	RMB	Rs Lacs	RMB	Rs Lacs	
ASSETS					
CURRENT ASSETS					
Cash & cash equivalents	3,066,401	312.27	989,475	101.01	
Accounts receivable	19,657,644	2,001.88	16,252,326	1,659.14	
Other receivables	1,709,930	174.13	614,401	62.72	
Advance to suppliers	509,528	51.89	299,511	30.58	
Inventories	14,819,257	1,509.15	16,236,475	1,657.52	
Prepaid expenses	328,021	33.40	424,669	43.35	
Allowance receivable	-	-	-	-	
TOTAL CURRENT ASSETS	40,090,781	4,082.73	34,816,858	3,554.33	
NON-CURRENT ASSETS					
Fixed Assets - cost	60,510,014	6,162.16	60,419,786	6,168.03	
Less: Accumulated depreciation	25,660,888	2,613.23	21,891,016	2,234.77	
Fixed Assets - Net book value	34,849,126	3,548.93	38,528,770	3,933.26	
Intangible assets	5,897,935	600.63	6,054,351	618.07	
Long-term deferred and prepaid expenses	-	-	6,938	0.71	
TOTAL NON-CURRENT ASSETS	40,747,062	4,149.56	44,590,058	4,552.04	
TOTAL ASSETS	80,837,842	8,232.29	79,406,916	8,106.36	
LIABILITIES AND OWNER'S EQ	UITY				
CURRENT LIABILITIES					
Short-term borrowings	16,233,553	1,653.18	12,000,000	1,225.04	
Accounts payable	18,469,993	1,880.93	15,438,795	1,576.09	
Advances from customers	3,595,501	366.16	9,705,025	990.75	
Accrued Payroll	72,862	7.42	57,262	5.85	
Taxes payable	54,363	5.54	(253,646)	(25.89)	
Other amounts payables	314,627	32.04	275,606	28.14	
Accrued expenses	9,977,021	1,016.03	9,088,532	927.81	
TOTAL CURRENT LIABILITIES	48,717,920	4,961.29	46,311,574	4,727.78	
OWNER'S EQUITY					
Paid in capital	95,039,017	9,678.49	95,039,017	9,702.18	
Accumulated losses	(62,919,095)	(6,407.49)	(61,943,675)	(6,323.60)	
TOTAL OWNER'S EQUITY	32,119,922	3,271.00	33,095,342	3,378.58	
TOTAL LIABILITIES AND OWNER'S EQUITY	80,837,842	8,232.29	79,406,916	8,106.36	

Statement of changes in Equity for the year ended 31 December, 2014

	Share Capital		Accumulat	ed Losses	Total	
	2014	2014	2014 2014		2014	2014
	RMB	Rs Lacs	RMB	Rs Lacs	RMB	Rs Lacs
Balances at 1 January 2014	95,039,017	9,678.49	(61,943,675)	(6,308.16)	33,095,342	3,370.33
Profit for the current period	-	-	(975,420)	(99.33)	(975,420)	(99.33)
Balances at 31 December 2014	95,039,017	9,678.49	(62,919,095)	(6,407.49)	32,119,922	3,271.00

Income Statement for the year ended 31 December, 2014

PARTICULARS	201	14	2013	
	RMB	Rs Lacs	RMB	Rs Lacs
Revenue from main operations	75,083,494	7,646.28	59,484,413	6,072.55
Revenue from other operations	2,293,804	233.59	2,168,997	221.42
Less : Cost of main operations	59,673,217	6,076.94	48,750,387	4,976.75
Cost of other operations	807,446	82.23	855,558	87.34
Operation expenses	8,730,884	889.13	9,834,743	1,003.99
General and administrative expenses	8,269,919	842.18	9,451,397	964.86
Financial expenses	984,201	100.23	963,040	98.31
Loss from Operations	(1,088,370)	(110.84)	(8,201,715)	(837.28)
Add: Revenue from subsidies	108,423	11.04	243,295	24.84
Non-operating revenue	23,715	2.42	194,807	19.89
Less: Non-operating expenses	19,187	1.95	66,407	6.78
Loss before tax	(975,420)	(99.33)	(7,830,019)	(799.34)
Income tax	-	-	-	-
Net loss for the year	(975,420)	(99.33)	(7,830,019)	(799.34)

The annexed Notes form an integral part of financial statements. Exchange rate : as at 31 December 2014 is 1 RMB = Rs 10.18 Exchange rate : as at 31 December 2013 is 1 RMB = Rs 10.21

Cash Flow Statement for the year ended 31 December, 2014

PARTICULARS	2014		2013	
	RMB	Rs Lacs	RMB	Rs Lacs
Cash Flows from Operating activities				
Cash received from sale of goods	54 464 949	5 502 20	70.070.527	7 00 5 10
or rendering of services	74,464,849	7,583.28	70,872,537	7,235.12
Refund of taxes	1,302,028	132.59	1,494,293	152.55
Other cash received relating to operating activities	112,313	11.44	1,161,113	118.53
Cash paid for goods & services	(54,483,686)	(5,548.46)	(50,717,901)	(5,177.60)
Cash paid to & on behalf of employees	(14,818,805)	(1,509.10)	(12,326,666)	(1,258.38)
Other cash paid relating to operating activities	(5,500,805)	(560.19)	(9,031,536)	(922.00)
Net cash used in operating activities	1,075,894	109.57	1,451,840	148.21
Less : Payment of all types of taxes	2,086,062	212.44	2,692,738	274.89
Net cash used in operating activities	(1,010,168)	(102.87)	(1,240,897)	(126.68)
Cash Flows from Investing activities				
Net cash received from disposal of Fixed Assets, Intangible Assets and				
other long term assets	-	-	1,100	0.11
Acquisition of Fixed Assets, Intangible Assets and Other long term assets	(237,686)	(24.21)	(292,661)	(29.88)
Net cash used in investing activities	(237,686)	(24.21)	(291,561)	(29.76)
Cash Flows from Financing activities				
Cash Received from investors	-	-	-	-
Cash Received from borrowings	32,083,552	3,267.29	24,300,000	2,480.70
Repayment of borrowings	(27,850,000)	(2,836.16)	(24,600,000)	(2,511.32)
Cash paid for distribution of	(993,639)	(101.19)	(802,371)	(81.91)
dividends or profits and for interest expenses				
Net cash received in financing activities	3,239,913	329.94	(1,102,371)	(112.54)
Effect of Foreign exchange rate changes on cash and cash equivalents	84,866	8.64	14,114	1.44
Net increase (decrease) in cash at banks and in hand	2,076,926	211.51	(2,620,715)	(267.54)
Cash at banks and in hand at beginning of year	989,476	100.77	3,610,190	368.55
Cash at banks and in hand at end of year	3,066,401	312.27	989,476	101.01

Supplemental Information to the Cash Flow Statement For the year ended 31 December, 2014

20	14	2013	
RMB	Rs Lacs	RMB	Rs Lacs
(975,420)	(99.33)	(7,830,019)	(799.34)
(46,490)	(4.73)	1,030,566	105.21
3,880,240	395.15	4,005,230	408.88
176,928	18.02	172,701	17.63
6,938	0.71	13,732	1.40
96,648	9.84	225,163	22.99
888,490	90.48	2,300,529	234.85
16,576	1.69	6,029	0.62
908,773	92.55	788,257	80.47
2,245,682	228.69	(7,895,860)	(806.06)
(5,492,837)	(559.37)	(2,862,184)	(292.19)
(2,715,696)	(276.56)	8,804,959	898.87
(1,010,168)	(102.87)	(1,240,897)	(126.68)
3,066,401	312.27	989,475	101.01
989,475	100.77	3,610,190	368.55
-	-	-	-
2,076,926	211.51	(2,620,715)	(267.54)
	RMB (975,420) (46,490) 3,880,240 176,928 6,938 96,648 888,490 16,576 908,773 2,245,682 (5,492,837) (2,715,696) (1,010,168) 3,066,401 989,475	(975,420) (99.33) (46,490) (4.73) 3,880,240 395.15 176,928 18.02 6,938 0.71 96,648 9.84 888,490 90.48 16,576 1.69 908,773 92.55 2,245,682 228.69 (5,492,837) (559.37) (2,715,696) (276.56) (1,010,168) (102.87) 3,066,401 312.27 989,475 100.77 - -	RMB Rs Lacs RMB (975,420) (99.33) (7,830,019) (46,490) (4.73) 1,030,566 3,880,240 395.15 4,005,230 176,928 18.02 172,701 6,938 0.71 13,732 96,648 9.84 225,163 888,490 90.48 2,300,529 16,576 1.69 6,029 908,773 92.55 788,257 2,245,682 228.69 (7,895,860) (5,492,837) (559.37) (2,862,184) (2,715,696) (276.56) 8,804,959 (1,010,168) (102.87) (1,240,897) 3,066,401 312.27 989,475 989,475 100.77 3,610,190

NOTES TO THE FINANCIAL STATEMENTS For the year ended Dec.31, 2014

(Unless otherwise specified, all amounts are in RMB)

1. Company background

Thermax (ZheJiang) Cooling & Heating Engineering Company Limited (the "Company") is a wholly foreign owned enterprise established in Jiaxing, Zhejiang Province in the People's Republic of China (PRC) by Thermax Limited. The Company obtained an approval certificate Shang Wai Zi-Zhe Fu Zi Jia Zi [2006] No.03662 from the People's Government of Zhejiang Province on 14 December 2006, and a business license (No.33040040008751) on 15 December 2006 issued by Zhejiang Province Administration of Industry and Commerce of the PRC. The registered capital is USD 13, 470,000 and the paid-in capital is USD 13, 470,000.

The operating activities mainly include products and services in heating, cooling, waste heat recovery, captive power, water treatment and recycling, waste management and performance chemicals

2. Significant accounting policies accounting estimates

2.1 Accounting regulations

The financial statements have been prepared in accordance with Accounting Standards for Business Enterprise-Basic Standard issued in 2006, specific accounting standards issued before 2006 and the "Accounting System for Business Enterprises" as promulgated by the State of the People's Republic of China.

2.2 Accounting period

The Company adopts the calendar year as its accounting year, i.e. from January 1 to December 31.

2.3 Reporting currency

The recording currency of the Company is RMB.

2.4 Basis of preparation and measurement basis

The financial statements of the Company have been prepared on an accrual basis. Unless otherwise stated, the measurement basis used is historical cost.

2.5 Translation of foreign currencies

Foreign currency transactions are translated into RMB at the exchange rates stipulated by the People's Bank of China at the beginning of the month. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into RMB at the stipulated exchange rates at the balance sheet date. Exchange differences relevant to the acquisition of fixed assets are recorded as the acquisition cost of fixed assets. Exchange differences irrelevant to the acquisition of fixed assets are recorded as long-term prepaid expenses if arising during the pre-operating period or recorded as finance expenses if not.

2.6 Cash equivalents

Cash equivalents refer to short-term (due within three months) and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.7 Provision for bad debts

Provision for bad debts on trade and other receivables is accounted for using the allowance method: Aging analysis method. Aging analysis method is based on relevant information such as past experience, actual financial position and cash flows of debtors, as well as other relevant information. Company Policy : A 100% Provision to be made for Receivables (other than Retentions) which are more than 2 years and 50% provision to be made for Receivables (other than Retentions) which are more than one year but less than two years.

Criteria for recognition of bad debts: (1) The irrecoverable amount for a debtor who becomes bankrupt after pursuing the statutory recovery procedures or died and has no offsetting estate and obligatory undertakes. (2) The irrecoverable amount or this amount with less possibility to be recovered with sufficient evidence for a debtor who does not comply with repayment obligation after the debt becomes due.

2.8 Inventory costing method

Inventories encompass finished goods produced, or work in progress being produced by the enterprise and include materials and supplies awaiting use in the production process.

Inventories are stated at actual cost. The cost of materials is assigned using the Weighted Moving Average Method, the cost of finished goods and workin-progress are assigned using specific identification of their individual costs. Low-value consumables are written-off in full when issued for use.

THERMAX (ZHEJIANG) COOLING & HEATING ENGINEERING CO., LTD

Inventories are measured at the lower of cost and net realizable at the end of a period.

If inventories are damaged, they have become wholly or partially obsolete, or if their selling prices have declined. Where the net realizable value is lower than the cost, the differences is recognized as the Provision for obsolete stocks. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when a decline in the price of materials indicates that the cost of the finished products will exceed net realizable value, the materials are written down to net realizable value. As per company policy, Inventory Obsolete provision has been made for100% if Inventory aged more than two years & 50% if inventory is aged more than one year but less than two years.

2.9 Valuation and depreciation of the fixed assets

- Fixed assets are recorded at actual costs. Fixed assets are assets held by the company for use in the production of goods and for administrative purposes. They are expected to be used for more than one year.
- 2) The valuation of fixed assets:
 - Fixed assets purchased are recorded at cost plus packaging expenditure, freight, installation cost as well as related unrecoverable taxes.
 - (2) Fixed assets constructed by the Company are recorded at all the expenditure that is related to the construction before they are ready for their intended use.
 - (3) Fixed assets invested by shareholder are recorded at the confirmed value by all shareholders.
 - (4) Fixed assets accepted as the compensation of debts from debtors or obtained in a non-monetary transaction, are recorded at values confirmed in accordance with Debt Recombination and Nonmonetary Transaction Postulates.
- 3) Fixed assets are depreciated using the straight-line method of the assets. The estimated useful lives, estimated residual value rate expressed as a percentage of cost and depreciation rate are as follows:

Category	Estimated useful life	Estimated residual value rate	Estimated annual depreciation rate		
Buildings	20 years	10%	4.5%		
Machinery	10 years	10%	9%		
Electronic	3 -5 years	10%	18-30%		

4) Fixed assets are valued at the lower of the carrying value and the recoverable amount. Individual assets for which there are indications that the carrying values are higher than their recoverable amounts, arising from the occurrence of events or changes in circumstances, are viewed for impairment. If the carrying value of such assets is higher than the recoverable amount, the excess is recognized as an impairment loss. When there is an indication that the need for an impairment provision record in a prior period no longer exists or has decreased; the provision for impairment loss is reversed to the extent of the impairment loss previously recognized.

2.10 Construction in progress

Construction in progress is recorded at its real costs

- Direct expenditure on contracted construction comprises the contract price, the original cost of machinery and equipment, installation costs, interests and discount or premium amortization on specific borrowings, as well as capitalized exchange differences.
- (2) Direct expenditure on self-operated construction comprises the used material costs, raw material costs with tax cannot be deducted, inventory's costs with related taxes, costs of labor service provided by the Company's aided production department, interests and discount or premium amortization on specific borrowings, as well as capitalized exchange differences.

When the construction has reached its expected usable condition but without final accounting completed, the estimated construction cost in that account is capitalized as fixed assets in accordance with the budget, construction cost or real costs. The fixed asset's book value should be adjusted after final accounting completion.

Impairment of construction in progress should be recognized when

- (1) The construction in progress is suspended for a long period and is not expected to be resumed in three years, or
- (2) Construction project is technically and physically obsolete and its economic benefits to the company are uncertain.

2.11 Intangible assets

- 1) Intangible assets are recorded at actual costs when obtained.
- 2) The cost of an intangible asset are amortized evenly over its expected useful life or the effective period stipulated by law (whichever is shorter) starting in the month in which it is obtained. If neither of the above can be determined, the amortization period should not be longer than 10 years. If an intangible asset brings no more future economic benefits, its carrying amount should be recognized in the income statement for the current period.
- 3) The Company reviews the carrying amount of its intangible assets as well as its recoverable net value at the balance sheet date. The difference by which the recoverable amount is lower than the carrying amount of the intangible assets should be provided for and recognized.

2.12 Long-term prepayments

Long-term prepayments are recorded at the actual costs and amortized evenly over the beneficial periods of their own. If a long-term prepayment brings no more future economic benefits, its book value should be recognized in the income statement for the current period.

2.13 Revenue recognitions

Revenue from the sale of goods is recognized with following basis:

- The seller has transferred the significant risks and rewards of ownership to the buyer;
- (2) The seller does not retain continuing managerial involvement to the degree usually associated with ownership and does not have effective control over the goods sold;
- It is probable that the economic benefits associated with the transaction will flow to the enterprise;
- (4) The amount of revenue and the costs incurred or to be incurred in respect of the transaction is measured reliably.

Revenue from services is recognized with following basis:

- (1) When the provision of services is started and completed within the same fiscal year, revenue is recognized at the time of completion of the services when the money or the right to collect the money is received.
- (2) When the provision of services is started and completed in different fiscal years, the Company recognizes the service revenue at the balance sheet date by the use of the percentage of completion method. The outcome of a transaction can be estimated reliably when all of the following conditions are satisfied: (a) the total amount of service revenue and costs can be measured reliably; (b) it is probable that the economic benefits associated with the transaction will flow to the enterprise; and (c) the stage of completion of the services provided can be measured reliably.
- (3) When the result of the long construction contract can be estimated authentically, revenue from service as well as the cost should be recognized according to the percentage of completion.

2.14 Accounting for income tax

Income tax is recognized under the tax payable method.

3. TAXATION

3.1 Value Added Tax (VAT)

The company's sales of products are subjected to Value Added Tax (VAT). The applicable tax rate for domestic sales is 17%. Sale of Goods in overseas market is subject to the method of tax exemption, credit and refund, the refund rate is 17%.

3.2 Enterprise Income Tax

The statutory rate of corporate income tax applicable to the Company is 25%.

4. MAIN ITEMS OF THE FINACIAL STATEMENTS

4.1 Cash and equivalents

Items	2014-12-31			2013-12-31			
	Original	E/X rate	RMB	Original	E/X rate	RMB amount	
	currency		amount	currency			
Cash on hand	-	-	65,785.30	-	-	27,128.89	
RMB	-	-	59,666.30	-	-	24,360.90	
USD	1,000.00	6.1190	6,119.00	454.00	6.0969	2,767.99	
Cash in bank	-	-	3,000,615.65	-	-	962,346.43	
RMB	-	-	1,733,122.38	-	-	889,805.36	
USD	113,737.33	6.1190	695,958.72	11,896.39	6.0969	72,531.10	
EUR	74,963.4	7.4556	558,897.12	0.03	8.4189	0.25	
AUD	2,518.72	5.0174	12,637.43	1.79	5.4301	9.72	
Total	-	-	3,066,400.95	-	-	989,475.32	

4.2 Accounts receivable

4.2.1 Age analysis

Account Age	2014-12-31			2013-12-31		
	amount	%	Bad debt provision	amount	%	Bad debt provision
Within 1 year	14,961,895.13	67.06%	309,595.00	10,139,526.09	55.95%	-
1-2years	4,160,417.43	18.65%	164,124.00	6,333,095.07	34.94%	890,895.00
2-3years	2,012,200.00	9.02%	1,214,150.00	1,414,600.00	7.81%	766,000.00
Over 3 years	1,176,000.00	5.27%	965,000.00	236,000.00	1.30%	214,000.00
Total	22,310,512.56	100.00%	2,652,869.00	18,123.221.16	100%	1,870,895.00

4.2.2	Foreign currency balance		
Currency	Original currency	E/X rate	RMB balance
	amount		
USD	117,414.50	6.1190	718,459.32
EUR	74,100.00	7.4556	552,459.96

4.3 Other receivable

4.3.1 Age analysis

Account Age	2014-12-31 20			013-12-31		
	amount	%	Bad debt	amount	%	Bad debt
XX7:41: 4	1.525.012.62	00.048/	provision	470 761 56	77.000/	provision
Within 1 year	1,537,913.63	89.94%	-	478,761.56	77.92%	-
1~2years	67,379.20	3.94%	-	74,000.00	12.04%	-
2~3years	42,997.26	2.51%	-	31,000.00	5.05%	-
Over 3 years	61,639.59	3.60%	-	30,639.59	4.99%	-
Total	1,709,929.68	100.00%	-	614,401.15	100.00%	-
4.3.2	Foreign cur	rency bala	ance			
Currency	Original currency		ncy	E/X rate	RM	B balance
		amo	unt			
USD		1,400	0.00	6.119		8,566.60

4.4 Accounts in advance

4.4.1 Age analysis

Work-in-progress

Total

4.4.1	Age analys	15					
Account Age		2014-12-31			201	3-12-31	
	amount	%	Bad debt provision		amount	%	Bad debt provision
Within 1 year	509,527.89	100.00%	-	299	9,510.51	100%	, -
Total	509,527.89	100.00%	=	299	9,510.51	100%	<u> </u>
4.4.2	Foreign cu	rrency bala	ance				
Currency	Orig	inal curren	ncy	E/.	X rate	RMB balance	
		amo	unt				
USD		11,032	.25		6.119		67,506.34
4.5 Invent	tory						
Items		201	4-12-31			2013-12	2-31
		Amour	nt Prov	ision	Am	ount	Provision
			for obs	olete			for obsolete
			st	ocks			stocks
Raw material		5,240,932.4	3 382,64	5.98	4,557,84	5.85	151,696.34
Finished goods	5	443,982.7	8 156,23	5.21	1,492,84	0.35	1,215,649.13

- 11,553,134.70

538,881.19 17,603,820.90

9,673,223.43

15,358,138.64

4.6 Prepaid expenses

al. B/Y 785.56 687.15 019.60 250.95 771.01 056.85 203.54 634.17 980.94 288.65 - - - - - - - - - - - - - - - - - - -	Increase in this year 433,300.00 190,836.90 41,831.74 312,695.00 <u>978,663.64</u> depreciation Increase in this year <u>217,172.85</u> 	 Decrease in this year 126,943.99 126,943.99 126,943.99 126,943.99 126,943.99 126,943.99 110,367.95 	Bal. E/ 66,600.0 98,912.3 17,429.8 145,079.1 <u>328,021.3</u> Bal. E/ <u>60,510,014.4</u> 33,303,687.1 25,034,062.3 401,685.2 528,771.0 1,241,808.6 <u>25,660,888.2</u> 9,730,138.3 14,123,098.9 323,842.3 415,353.2 1,068,455.3
55.00 5.51 18.78 19.26 11. B/Y 785.56 687.15 019.60 0250.95 771.01 056.85 203.54 634.17 980.94 288.65 908.58 - - - - - - - - - - - - -	190,836.90 41,831.74 312,695.00 <u>978,663.64</u> depreciation Increase in this year <u>217,172.85</u> 149,042.74 50,378.33 17,751.78 <u>3,880,240.30</u> 1,498,934.82 2,244,464.82 75,229.31 23,064.60	211,709.56 41,777.38 290,924.60 1.075,311.51 • Decrease in this year 126,943.99 126,943.99 126,943.99 126,943.99	98,912.3 17,429.8 145,079.1 <u>328,021.3</u> Bal. E/ <u>60,510,014.4</u> 33,303,687.1 25,034,062.3 401,685.2 528,771.0 1,241,808.6 <u>25,660,888.2</u> 9,730,138.3 14,123,098.9 323,842.3 415,353.2
5.51 8.78 9.26 1.187 1.185.56 6.087.15 019.60 0250.95 771.01 056.85 203.54 634.17 980.94 288.65 908.58 - - - - - - - - - - - - -	41,831.74 312,695.00 <u>978,663.64</u> depreciatiom Increase in this year 217,172.85 149,042.74 50,378.33 17,751.78 <u>3,880,240.30</u> 1,498,934.82 2,244,464.82 75,229.31 23,064.60	41,777.38 290,924.60 1,075,311.51 • Decrease in this year • 126,943.99 • 126,943.99 • 126,943.99 • 126,943.99	17,429.8 145,079.1 <u>328,021.3</u> Bal. E/ <u>60,510,014.4</u> 33,303,687.1 25,034,062.3 401,685.2 528,771.0 1,241,808.6 <u>25,660,888.2</u> 9,730,138.3 14,123,098.9 323,842.3 415,353.2
88.78 99.26 1al. B/V 785.56 687.15 019.60 0250.95 7771.01 056.85 203.54 634.17 980.94 288.65 908.58 - - - - - - - - - - - - -	312,695.00 <u>978,663.64</u> depreciatiom Increase in this year <u>217,172.85</u> 149,042.74 50,378.33 17,751.78 <u>3,880,240.30</u> 1,498,934.82 2,244,464.82 75,229.31 23,064.60	299,924.60 <u>1,075,311.51</u> Decrease in this year <u>126,943.99</u> <u>10,945.95</u> <u></u>	145,079.1 328,021.3 Bal. E/ 60,510,014.4 33,303,687.1 25,034,062.3 401,685.2 528,771.0 1,241,808.6 25,660,888.2 9,730,138.3 14,123,098.9 323,842.3 415,353.2
92.26 lated c l. B/Y 785.56 687.15 019.60 0250.95 771.01 056.85 203.54 434.17 980.94 288.65 908.58 - - - - - - - - - - - - -	<u>978,663.64</u> depreciation Increase in this year <u>217,172.85</u> 149,042.74 50,378.33 <u>17,751.78</u> <u>3,880,240.30</u> <u>1,498,934.82</u> 2,244,464.82 75,229.31 <u>23,064.60</u>	<u>1.075,311.51</u> Decrease in this year <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u>	328,021.3 Bal. E/ 60,510,014.4 33,303,687.1 25,034,062.3 401,685.2 528,771.0 1,241,808.6 25,660,888.2 9,730,138.3 14,123,098.9 323,842.3 415,353.2
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al. B/Y 785.56 687.15 019.60 250.95 771.01 056.85 203.54 634.17 980.94 288.65 - - - - - - - - - - - - - - - - - - -	Increase in this year 217,172.85 149,042.74 50,378.33 17,751.78 <u>3,880,240.30</u> 1,498,934.82 2,244,464.82 75,229.31 23,064.60	 Decrease in this year 126,943.99 126,943.99 126,943.99 126,943.99 126,943.99 126,943.99 110,367.95 	60,510,014.4 33,303,687.1 25,034,062.3 401,685.2 528,771.0 1,241,808.6 25,660,888.2 9,730,138.3 14,123,098.9 323,842.3 415,353.2
785.56 687.15 019.60 250.95 771.01 056.85 203.54 634.17 980.94 288.65 908.58	in this year 217,172.85 149,042.74 50,378.33 17,751.78 <u>3,880,240.30</u> 1,498,934.82 2,244,464.82 75,229.31 23,064.60	this year <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,943.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,945.99</u> <u>126,</u>	60,510,014.4 33,303,687.1 25,034,062.3 401,685.2 528,771.0 1,241,808.6 25,660,888.2 9,730,138.3 14,123,098.9 323,842.3 415,353.2
687.15 019.60 250.95 7771.01 056.85 203.54 634.17 980.94 288.65 908.58	149,042.74 50,378.33 17,751.78 <u>3,880,240.30</u> 1,498,934.82 2,244,464.82 75,229.31 23,064.60	126,943.99 	33,303,687.1 25,034,062.3 401,685.2 528,771.0 1,241,808.6 25,660,888.2 9,730,138.3 14,123,098.9 323,842.3 415,353.2
019.60 250.95 771.01 056.85 203.54 634.17 980.94 288.65 908.58	50,378.33 17,751.78 <u>3,880,240.30</u> 1,498,934.82 2,244,464.82 75,229.31 23,064.60	126,943.99 	25,034,062.3 401,685.2 528,771.0 1,241,808.6 <u>25,660,888.2</u> 9,730,138.3 14,123,098.9 323,842.3 415,353.2
250.95 7771.01 056.85 015.88 203.54 634.17 980.94 288.65 908.58	50,378.33 17,751.78 <u>3,880,240.30</u> 1,498,934.82 2,244,464.82 75,229.31 23,064.60	126,943.99 	401,685.2 528,771.0 1,241,808.6 25,660,888.2 9,730,138.3 14,123,098.9 323,842.3 415,353.2
771.01 056.85 0 <u>15.88</u> 203.54 634.17 980.94 288.65 908.58 - - - - - - - - - - - -	17,751.78 <u>3,880,240.30</u> 1,498,934.82 2,244,464.82 75,229.31 23,064.60		528,771.0 1,241,808.6 <u>25,660,888.2</u> 9,730,138.3 14,123,098.9 323,842.3 415,353.2
056.85 <u>015.88</u> 203.54 634.17 980.94 288.65 908.58 - - - - - - - - - - - - -	3,880,240.30 1,498,934.82 2,244,464.82 75,229.31 23,064.60	110,367.95	1,241,808.6 25,660,888.2 9,730,138.3 14,123,098.9 323,842.3 415,353.2
015.88 203.54 634.17 980.94 288.65 908.58 - - - - - - - - - - - - - - - - -	3,880,240.30 1,498,934.82 2,244,464.82 75,229.31 23,064.60	110,367.95	25,660,888.2 9,730,138.3 14,123,098.9 323,842.3 415,353.2
203.54 634.17 980.94 288.65 908.58 - - - - - - - - - - - - - - - - - - -	1,498,934.82 2,244,464.82 75,229.31 23,064.60		9,730,138.3 14,123,098.9 323,842.3 415,353.2
634.17 980.94 288.65 908.58 - - - - - - - - - - - - - - - - - - -	2,244,464.82 75,229.31 23,064.60	110,367.95	14,123,098.9 323,842.3 415,353.2
980.94 288.65 908.58 - - - - - 769.68	75,229.31 23,064.60	110,367.95	323,842.3 415,353.2
288.65 908.58 - - - - - - - - - - - - - - - - - - -	23,064.60) -	415,353.2
908.58 - - - - 769.68			
- - - 769.68	38,546.75	·	1,068,455.3
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	-	·	
	-	· -	
		· -	
	-		
102 (1			34,849,126.1
483.61			23,573,548.7
385.43			10,910,963.3
270.01			77,842.9
482.36			113,417.7
148.27	-		173,353.3
B/Y	Increase in this year	Decrease in this year	Bal. E/
6.87	-	139,088.28	5,876,478.5
0.16	20,512.82	20,512.98	
3.47	-	17,326.68	21,456.7
0.50	20,512.82	176,927.94	5,897,935.3
B/Y	Increase	Amortization	Bal. E/
	in this year	in this year	
	-		
8.28		6,938.28	
			2013-12-3
			12,000,000.0
			12,000,000.0
	482.36 148.27 B/Y 66.87 0.16 33.47 0.50 B/Y 8.28 8.28 8.28 bank 1	482.36 - 148.27 - B/Y Increase in this year 66.87 - 0.16 20,512.82 3.47 - 0.50 20,512.82 3.47 - 0.50 20,512.82 B/Y Increase in this year 8.28 - 8.28 - 1 1 bank loan borrowed	482.36 - - 148.27 - - B/Y Increase in this year Decrease in this year 66.87 - 139,088.28 0.16 20,512.82 20,512.98 3.47 - 17,326.68 0.50 20,512.82 176,927.94 B/Y Increase in this year Amortization in this year 8.28 - 6,938.28

Account age	2014-12	-31	2013-12-31	
	Amount	%	Amount	%
Within 1 year	18,469,992.94	100.00%	15,424,090.08	99.90%
1~2years	-	-	14,704.99	0.1%
Total	18,469,992.94	100.00%	15,438,795.07	100.00%

-

1,367,345.47

THERMAX (ZHEJIANG) COOLING & HEATING ENGINEERING CO., LTD

4.11.2 Foreign currency balance

Currency	Original currency amount	E/X rate	RMB balance
USD	337,298.97	6.1190	2,065,853.35
EUR	42,609.60	7.4556	317,680.13
Total	-	-	2,383,533.48

4.12 Deposit received

4.12.1Age analysis

Account age	2014-12	-31	2013-12	-31
	Amount	%	Amount	%
Within 1 year	2,235,501.40	62.18%	9,655,025.34	99.48%
1~2years	1,310,000.00	36.43%	50,000.00	0.52%
2~3years	50,000.00	1.39%	-	-
Total	3,595,501.40	100.00%	9,705,025.34	100.00%

4.12.2 Foreign currency balance

Currency	Original currency amount	E/X rate	RMB balance
USD	140,600.00	6.1190	860,331.40
EUR	75,000.00	7.4556	559,170.00
Total	-	-	1,419,501.40
4.13 Accr	ued payroll		
Items		2014-12-31	2013-12-31
Payroll for Ch	inese employee	72,862.28	57,261.80
Total		72,862.28	57,261.80
4.14 Tax a	and other fees payable		
Item		2014-12-31	2013-12-31

2014-12-31	2013-12-31
-210,420.60	-554,252.63
58,247.35	38,696.48
52,870.00	84,592.00
3,573.61	1,796.92
139,540.26	174,425.32
5,053.45	1,095.99
4,909.52	-
98.19	-
343.67	-
147.29	-
54,362.74	-253,645.92
	-210,420.60 58,247.35 52,870.00 3,573.61 139,540.26 5,053.45 4,909.52 98.19 343.67 147.29

4.15 Other payable

4.15.1 Age analysis

Account age	2014-12	2014-12-31		2013-12-31	
	Amount	%	Amount	%	
Within 1 year	198,606.60	63.12%	174,068.20	63.16%	
1~2 years	14,482.10	4.60%	1,538.00	0.56%	
2~3 year	1,538.00	0.49%	-	-	
Over 3 years	100,000.00	31.78%	100,000.00	36.28%	
Total	314,626.70	100.00%	275,606.20	100.00%	

4.15.2 Foreign currency balance

Currency	Original currency amount	E/X rate	RMB balance
USD	8,350	6.1190	51,093.65

4.16 Accrued expenses

Item	2014-12-31	2013-12-31
Water, Electricity, Steam fee	67,649.20	53,036.69
Insurance & Freight fee	94,426.16	61,085.18
Product warranty fee	2,558,311.88	3,507,598.75
Payroll	481,837.77	481,852.76
Commission	3,289,552.00	2,156,933.97
Incentive	1,784,491.00	1,583,113.84
Entertainment expenses	76,468.00	166,477.60
interest	27,752.02	20,572.22
others	1,596,533.44	1,057,860.50
Total	9,977,021.47	9,088,531.51

4.17 Paid-in capital

Investor	Registered	Beg	3. Bal.	End	Bal.
	capital	USD	RMB	USD	RMB
	(USD)		Equivalent		Equivalent
Thermax Ltd.	13,470,000	13,470,000	95,039,017.37	13,470,000	95,039,017.37
Total	-	-	95,039,017.37	-	95,039,017.37

4.18 Undistributed profit

Item	Amount
Undistributed profits at beginning of the year	-61,943,675.08
Add : Net profit of this period	-975,419.89
Less: Appropriation of statutory surplus reserve	-
Less : Appropriation of discretionary surplus reserve	-
Less : Dividend payable on common stock	-
Less : Common stock dividend converted into capital	-
Undistributed profits at the end of the year	-62,919,094.97

4.19 Revenue from main operations and cost of main operations

Items	Revenue from main operations		Cost of main	n operations
	FY2014	FY2013	FY2014	FY2013
Domestic sales	41,578,632.46	38,755,128.22	36,179,310.66	32,376,990.10
Overseas sales	33,504,861.09	20,729,284.49	23,493,906.28	16,373,397.15
Total	75,083,493.55	59,484,412.71	59,673,216.94	48,750,387.25

4.20 Profit from other operations

Item	Revenue from of	ther operations	Cost of other operations		
	FY2014	FY2013	FY2014	FY2013	
Spares Materials sales	1,109,193.26	1,300,453.97	777,000.19	832,814.22	
Scrap Material sales	227,560.60	194,487.44	-	-	
Service revenue	957,049.80	674,055.39	30,446.22	22,743.59	
Total	2,293,803.66	2,168,996.80	807,446.41	855,557.81	

4.21. Operation expenses

Items	2014	2013
Salaries and welfare	3,134,741.80	2,856,144.51
Warranty and FOC	-391,706.84	1,471,676.00
Business trip	725,907.15	783,630.98
Entertainment expenses	522,793.32	590,956.80
Consulting fee	2,901,190.57	1,567,702.09
House Rent	287,619.98	228,544.46
Freight and Loading fee	753,846.84	936,199.25
Exported fee	362,359.65	231,192.38
Office expenses	8,043.78	24,153.40
Exhibition expenses	12,660.00	201,280.35
Advertisement	26,500.00	85,400.00
Communication fee	68,662.18	65,136.77
Depreciation	15,323.53	15,092.52
Others	302,941.55	777,633.04
Total	8,730,883.51	9,834,742.55

4.22 General and administrative expenses

Items	2014	2013
Salaries and welfare	4,326,005.58	3,974,681.37
Consulting expenses	190,435.08	486,252.42
Taxes	1,027,397.52	1,030,339.83
Depreciation	400,402.78	438,139.88
Car expenses	260,907.86	327,408.25
Maintain expense	90,443.50	132,316.52
House rent	231,500.00	257,500.00
Travel expenses	794,944.42	711,567.24
Amortization	176,927.94	174,553.50
Provision for obsolete stocks	-828,464.28	-696,328.59
Insurance	148,770.86	173,796.47
Communication expenses	144,138.83	105,692.55
Office expenses	104,503.61	179,064.04
Entertainment expenses	83,307.33	145,943.12
Bad debt reserves	781,974.00	1,726,895.00
Others	336,724.12	283,575.29
Total	8,269,919.15	9,451,396.89

4.23 Financial expenses

Items	2014	2013	
Interest expense	1,048,044.11	802,370.54	
Less: interest income	3,890.66	5,999.19	
Exchange Loss	-236,118.21	-14,114.02	
Others	176,166.04	180,782.71	
Total	984,201.28	963,040.04	
4.24 Revenue from subsidies			
Items	2014	2013	
Tax refund	108,422.61	227,295.32	
Government subsidies	-	16,000.00	
Total	108,422.61	243,295.32	
4.25 Non-operating revenue			
Items	2014	2013	
Debt exemption	23,664.99	182,600.00	
Others	50.00	12,207.38	
Total	23,714.99	194,807.38	
4.26 Non-operating expenses			
Items	2014	2013	
Disposal of fixed value property loss	17,187.41	6,028.83	
Overdue payment	-	59,650.00	
Others	2,000.00	728.31	

5. Related parties and related party transactions

5.1 Related parties

(1) Related party under control

Name of related parties	Relationship with the company
Thermax Ltd.	Holding Company
RDA Holdings Private Limited	Ultimate holding company

(2) Related Party where control does not exist, but transactions occurred

Name of related parties	Relationship with the company
Thermax Inc	Under a common control of the same ultimate holding company
Thermax Europe Limited	Under a common control of the same ultimate holding company

5.2 Related party transactions

1. Purchases of goods and services

Name of related parties	2014	2013
Thermax Ltd.	1,995,748.63	727,879.19
Thermax Inc	87,560.17	49,352.09
Thermax Europe Limited	70,574.01	33,350.90
Total	2,153,882.81	810,582.18

2. Sales of goods and services

Name of related parties	2014	2013
Thermax Inc	1,404,325.17	661,885.12
Thermax Europe Limited	9,292,424.90	4,406,026.40
Thermax Ltd.	8,103,811.43	6,362,447.82
Total	18,800,561.50	11,430,359.34

3. Amounts due from/to related parties

Name of related parties	Account	Amount
Thermax Ltd.	Accounts receivable	70,356.26
Thermax Ltd	Other receivable	32,874.77
Thermax Ltd.	Accounts payable	465,701.07
Thermax Ltd.	Deposit received	298,607.20
Thermax Inc	Accounts receivable	469,939.20
Thermax Inc	Accounts payable	63,435.55
Thermax Inc	Deposit received	375,094.70
Thermax Europe Limited	Accounts receivable	552,459.96
Thermax Europe Limited	Deposit received	559,170.00

7. CONTINGENT EVENTS

End of the date of the financial report issued, the company had no contingent events to be disclosed.

8. NON-ADJUSTMENT EVENTS IN FUTURE EVENTS OF BALANCE SHEET

End of the date of the financial report issued, the company has no non-adjustment events in future events of the balance sheet to be disclosed.

9. BANK GUARANTEE:

As at the balance sheet date, the Citi bank had opened the guarantee letter of RMB 4,555,500.00, USD 157,687.50 and AUD 21,275.00 for the company comprising of Advance & Performance Guarantee, had issued L/C for the amount of USD 125,020.00 and Usance L/C for the amount of USD 250,040.

10. OTHERS

The Mark to Market figure of the company's forward FX contracts is USD-4,169.88 as of 2014-12-31.

THERMAX (ZHEJIANG) COOLING & HEATING ENGINEERING CO., LTD

THERMAX NETHERLANDS B.V.

Board of Directors

Hemant Prabhakar Mohgaonkar TMF Netherlands B.V.

Registered Office

Herikerbergweg 238, Luna Arena, 1101 CM Amsterdam Zuidoost, The Netherlands.

Auditors

Emst & Young Accountants LLB Cross Towers Antonio Vivaldistraat 150 1008 A B Amsterdam The Netherlands

THERMAX NETHERLANDS B.V.

(Amsterdam)

ANNUAL REPORT MARCH 31, 2015.

Balance Sheet as at March 31, 2015

(Before oppropriation of the result)

ASSETS	Note No	03 / 31 /	2015	03 / 31 /	2014
		Euro	Rs Lacs	Euro	Rs Lacs
FIXED ASSETS:					
Financial fixed assets:					
Investment in subsidiary	1	20,021,767	13,426.02	20,021,767	16,517.17
		20,021,767	13,426.02	20,021,767	16,517.17
CURRENT ASSETS:					
Prepaid expenses		9,917	6.65	9,163	7.56
Cash at bank	2	307,048	205.90	339,356	279.96
		316,965	212.55	348,519	287.51
TOTAL ASSETS		20,338,732	13,638.57	20,370,286	16,804.69
SHAREHOLDER'S EQUITY AND LIABILITIES					
SHAREHOLDERS' EQUITY:	3				
Share capital		20,500,000	13,746.71	20,500,000	16,911.69
Accumulated results		(142,902)	(95.83)	(116,390)	(96.02)
Result for the year		(29,066)	(19.49)	(26,512)	(21.87)
		20,328,032	13,631.40	20,357,098	16,793.81
CURRENT LIABILITIES:					
Accrued expenses	4	10,700	7.18	13,188	10.88
TOTAL LIABILITIES		20,338,732	13,638.57	20,370,286	16,804.69
					<u>.</u>

Exchange Rate as on 31 March 2015 is 1 Euro = Rs. 67.0571 Exchange Rate as on 31 March 2014 is 1 Euro = Rs. 82.4961

Statement of Income and Expenses for the year ended March 31, 2015

	Note No	04/01/14-3/31/2015		04/01/13-3/31/2014	
		Euro	Rs Lacs	Euro	Rs Lacs
OPERATIONAL INCOME AND EXPENSES:					
Administrative expenses	5	(29,066)	(19.49)	(26,512)	(21.87)
Net result	=	(29,066)	(19.49)	(26,512)	(21.87)

Statement of Changes in Equity for the year ended March 31, 2015

	Issued shar	e capital	Accumulate	ed results	Result for	the year	Tota	ો
	Euro	Rs Lacs	Euro	Rs Lacs	Euro	Rs Lacs	Euro	Rs Lacs
Balance as at March 31, 2013	20,500,000	13,746.71	(78,907)	(52.91)	(37,483)	(25.14)	20,383,610	13,668.66
Allocation of result	-	-	(37,483)	(25.14)	37,483	25.14	-	-
Result for the period	-	-	-	-	(26,512)	(17.78)	(26,512)	(17.78)
Balance as at March 31, 2014	20,500,000	13,746.71	(116,390)	(78.05)	(26,512)	(17.78)	20,357,098	13,650.89
Allocation of result	-	-	(26,512)	(17.78)	26,512	17.78	-	-
Result for the period	-	-	-	-	(29,066)	(19.49)	(29,066)	(19.49)
Balance as at March 31, 2015	20,500,000	13,746.71	(142,902)	(95.83)	(29,066)	(19.49)	20,328,032	13,631.40

The authorised share capital of the Company consists of 30,000,000 shares of EUR 1 each, amounting to EUR 30,000,000. As at 31 March 2015, 20,500,000 (2014: 20,500,000) shares were issued and fully paid up.

THERMAX NETHERLANDS B.V.

Notes to the Financial Statements March 31, 2015

General

Thermax Netherlands B.V. (hereinafter "the Company"), a limited liability company, having its statutory seat in Amsterdam and its business seat at Herikerbergweg 238, 1101 CM Amsterdam, the Netherlands, was incorporated under the laws of the Netherlands on 5 November 2010. The Company is wholly owned by Thermax Limited registered in Chinchwad Pune, India.

The principal activity of the Company is to act as a holding company.

The Company has made use of the exemption allowed by Section 396, Paragraph 7, Part 9, Book 2 of the Dutch Civil Code in not presenting a Managing Directors report.

Accounting principles

(a) General

The accompanying accounts have been prepared in accordance with the provisions of EU Directives as implemented in Part 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in The Netherlands as issued by the Dutch Accounting Standards Board.

(b) Foreign currencies

All monetary assets and liabilities expressed in currencies other than EUR have been translated at the rates of exchange prevailing at the balance sheet date, whereas non monetary assets expressed in currencies other than EUR are translated at historical rates. All transactions in foreign currencies have been translated into EUR at the rates of exchange approximating those ruling at the date of the transactions. Resulting exchange differences, if any, have been recognised in the Profit and loss account.

(c) Financial fixed assets

Consolidation has not taken place, since the Company makes use of Section 408, Part 9, Book 2 of the Dutch Civil Code in filing the annual accounts of its parent company Thermax Limited, India with the Chamber of Commerce in Amsterdam.

Participating interests are stated at cost, less any permanent diminution in value.

(d) Cash at bank

Cash and cash equivalents include bank balances and are stated at face value.

(e) Other assets and liabilities

Unless otherwise indicated assets and liabilities are stated at face value.

(f) Determination of income

Income and expenses are recognised in the year to which they are related. Profit is only recognised when realised on balance sheet date. Losses originating before the end of the financial year are taken into account if they become known before preparation of the financial statements.

(g) Taxation

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit for commercial and profit for tax purposes. Deferred tax assets arising from available tax loss carry forwards are only recognized to the extent that recovery is reasonable certain.

(1) Investment in subsidiary

The investment in subsidiary is comprised as follows:

	Held in %	03/31/15	03/31/14
Thermax Denmark ApS	100%	20,021,767	20,021,767

On 8 November 2010 the Company subscribed for 74,920,000 newly issued shares in Thermax Denmark ApS with a nominal value of DKK 1 each. The total consideration involved was EUR 20,000,000.

On 22 June 2011 the Company acquired the remaining 80,000 shares in Thermax Denmark ApS with a nominal value of DKK 1 each. The total consideration involved was EUR 21,767.

As per 31 March 2015 the Company holds 100% of the issued share capital of Thermax Denmark ApS. The total amount involved was EUR 20,021,767.

(2) Cash at bank

The cash at bank is comprised as follows:

	03/31/15	03/31/14
Royal Bank of Scotland, EUR account	307,048	339,356

The Company maintains a EUR bank account with the Royal Bank of Scotland in Amsterdam of which the balance is available on demand.

(3) Shareholders' equity

The movement in the shareholders' equity is comprised as follows:

	Issued share capital	Accumulated results	Result for the year	Total
Balance as at March 31, 2013	20,500,000	(78,907)	(37,483)	20,383,610
Allocation of result	-	(37,483)	37,483	-
Result for the period			(26,512)	(26,512)
Balance as at March 31, 2014	20,500,000	(116,390)	(26,512)	20,357,098
Allocation of result	-	(26,512)	26,512	-
Result for the period	-	-	(29,066)	(29,066)
Balance as at March 31, 2015	20,500,000	(142,902)	(29,066)	20,328,032

The authorised share capital of the Company consists of 30,000,000 shares of EUR 1 each, amounting to EUR 30,000,000. As at 31 March 2015 20,500,000 (2014: 20,500,000) shares were issued and fully paid up.

(4) Accrued expenses

The accrued expenses are comprised as follows:

	03/31/15	03/31/14
Accrued tax advisory fees	2,500	4,988
Accrued audit fees	8,000	8,000
Accrued bank charges	200	200
	10,700	13,188

(5) Administrative expenses

The administrative expenses are comprised as follows:

	04/01/14 - 03/31/15	04/01/13 - 03/31/14
Administration accounting fees	10,123	8,620
Tax advisory fees	3,786	2,488
Management fees	5,431	5,957
Audit fees	8,591	8,000
Bank charges	1,135	1,425
Chamber of Commerce fees	-	22
	29,066	26,512

Other notes

Employees

The Company does not employ any staff (2014: nil) and hence incurred no salary, related social security charges or pension costs in 2015 and 2014.

Managing directors

The Board of Directors consists of two members (2014: two) and does not have a Board of Supervisory Directors.

Amsterdam, May 13, 2015

Mr. H.P. Mohgaonkar

TMF Netherlands B.V.

Supplementary information March 31, 2015

Statutory provision of appropriation of result

In accordance with article 22 of the Articles of Association the result for the year is at the disposal of the General Meeting of Shareholders. Dutch law stipulates that distributions may only be made to the extent the Company's equity is in excess of the reserves it is required to maintain by law and its Articles of Association. Moreover, no distributions may be made if the Management Board is of the opinion that, by such distribution, the Company will not be able to fulfill its financial obligations in the foreseeable future.

Proposed appropriation of result

The management proposes to carry forward the result for the period under review.

Post balance sheet events

No events have occurred since 31 March 2015 that would make the present financial position substantially different from that shown in the balance sheet as at balance sheet date.

Auditors' opinion

The auditors' report is presented on the next page.

INDEPENDENT AUDITORS' REPORT

To: the general meeting of shareholders of Thermax Netherlands B.V.

Report on the financial statements

We have audited the accompanying financial statements for the year ended 31 March 2015 of Thermax Netherlands B.V., Amsterdam, which comprise the balance sheet as at 31 March 2015, the profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements and for the preparation of the management board report, both in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that 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 Dutch law, including the Dutch Standards on Auditing. This requires 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 entity'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 accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion with respect to the financial statements

In our opinion, the financial statements give a true and fair view of the financial position of Thermax Netherlands B.V. as at 31 March 2015 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2:393 sub 5 at e of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the information as required under Section 2:392 sub 1 b-h has been annexed.

Amsterdam, 27 May 2015 Ernst & Young Accountants LLP signed by S. van den Ham

THERMAX DENMARK ApS

Executive Board

Hemant Prabhakar Mohgaonkar Amitabha Mukhopadhyay

Registered Office

Industrivej Nord 13 DK-7400 Herning

Auditors

Ernst & Young Godkendt Revisionspartnerselskab Havnegade 33 DK 6700 Esbjerg.

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Thermax Denmark ApS for the financial year 1 April 2014 – 31 March 2015.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Company's financial position at 31 March 2015 and of the results of the Group's and the Company's operations and consolidated cash flows for the financial year 1 April 2014 – 31 March 2015.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Company's operations and financial matters and the results of the Group's and the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting. Herning, 5 May 2015

Executive Board:

Hemant Prabhakar Mohgaonkar

Amitabha Mukhopadhyay

Independent auditors' report

To the shareholders of Thermax Denmark ApS

Independent auditors' report on the consolidated financial statements and the parent company financial statements

We have audited the consolidated financial statements and the parent company financial statements of **Thermax Denmark ApS** for the financial year 1 April 2014 – 31 March 2015, which comprise income statement, balance sheet and notes, including accounting policies, for the Group as well as for the parent company and consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the consolidated financial statements and the parent company financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the parent company financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of consolidated financial statements and parent company financial statements that give a true and fair view 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements and the parent company financial statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's financial position at 31 March 2015 and of the results of the Group's and the parent company's operations and consolidated cash flows for the financial year 1 April 2014 – 31 March 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the consolidated financial statements and the parent company financial statements.

Esbjerg, 5 May 2015

ERNST & YOUNG

Godkendt Revisionspartnerselskab

John Lesbo State Authorised Public Accountant Birgitte Nygaard Jørgensen State Authorised Public Accountant
Management's review

Company details

Thermax Denmark ApS Industrivej Nord 13 DK-7400 Herning

CVR no.: 33 25 57 48 Established: 29 October 2010 Registered office: Herning Financial year: 1 April – 31 March

Executive Board

Hemant Prabhakar Mohgaonkar Amitabha Mukhopadhyay Auditors Ernst & Young Godkendt Revisionspartnerselskab Havnegade 33 DK-6700 Esbjerg

Financial highlights for the Group

DKK m	2014/15	2013/14	2012/13	2010/12 17 months
Key figures				
Revenue	303	479	388	535
Operating profit	-60	16	16	19
Profit from financial income and expenses	-5	-5	-6	-7
Profit before tax	-66	11	10	12
Profit/loss for the year	-64	7	5	7
Non-current assets	157	199	193	200
Current assets	85	172	159	139
Total assets	242	372	352	339
Equity	103	167	159	156
Provisions	19	22	19	23
Non-current liabilities other than provisions	44	65	84	95
Current liabilities other than provisions	76	118	90	65
Cash flows from operating activities	20	10	11	13
Cash flows from investing activities	-2	-20	-5	-203
Portion relating to investment in property, plant and equipment	-2	-3	-5	-4
Cash flows from financing activities	-20	-10	-2	216
Total cash flows	-2	-20	4	26
Financial ratios				
Operating margin	-4.8	3.3	4.0	4.3
Return on invested capital	-7.9	6.0	6.3	5.1
Equity ratio	42.6	45.0	45.1	46.1
Return on equity	-47.3	4.2	3.4	3.1
Average number of full-time employees	259	330	256	241

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2010". For terms and definitions, please see the accounting policies.

Operating review

Principal activities of the Company

Thermax Denmark ApS is a wholly owned subsidiary of Thermax Netherlands B.V., which in turn is wholly owned by Thermax Ltd., an Indian publicly listed company. Thermax Ltd. is a subsidiary of RDA Holdings Pvt Ltd, a company incorporated in India.

The main activity of the company is owning shares in the fully-owned daughter companies Danstoker A/S and Ejendomsanpartsselskabet Industrivej Nord 13" (estate company). All operational activities take place within these respective daughter companies.

Danstoker A/S is the parent company of Boilerworks A/S.

The Danstoker Group designs, produces and sells boilers and relevant equipment to the energy market, including rebuilding and servicing of boilers. The product range of the Danstoker Group is continuously adapted to the 4 energy categories:

- Solid fuel market, mainly based biofuels
- Combined heat and power market
- Exhaust gas market
- Oil/gas market

The activity of "Ejendomsanpartsselskabet Industrivej Nord 13" is to own and lease estate, which is also the activity in the wholly owned subsidiary Boilerworks Properties ApS.

THERMAX DENMARK ApS

Development in activities and financial position

This year, the Danstoker Group has achieved overall results that are lower than provided for in the budget. The results achieved are deemed not satisfactory.

Profit for the year before tax of DKK -65,533 thousand and after tax of DKK -63,950 thousand respectively is deemed not satisfactory by the Management.

Danstoker A/S

Danstoker A/S has had a lower level of activity than expected within the biomass segment but has nevertheless been able to maintain its position as the absolute market-leader within medium-sized biofuel boilers in Scandinavia.

Within the market segment of oil and gas-fired boilers, Danstoker has maintained its position in the primary markets, but no orders for the Russian market were received during the last year due to the crisis in Ukraine.

The market segments for combined heat and power boilers and for exhaust gas boilers have been more or less on budget in the year under review, and the after-sales services activities have developed positively.

Danstoker has continued working successfully on the implementation of the Lean idea and Lean processes throughout the value chain of the Company, from the initial customer contact until the handing-over of boilers.

After extensive studies to see verify whether a turnaround process could be initiated, the decision to close Omnical GmbH was made in September 2014. The accounting consequences of this decision is primarily attributable to exceptional loss with regard to depreciation of the asset in the balance sheet, take-over warranty obligations and operating losses from April to September 2014.

Boilerworks A/S

Boilerworks A/S designs, produces and supplies high-pressure boilers and components to power stations, waste-fuelled and biomass-fuelled plants as well as petrochemical plants. Moreover, the Company manufactures a wide variety of heat exchangers and fuel-gas coolers.

The maintenance of boiler systems is one of Boilerworks' specialties. This includes everything from simple repairs to extensive maintenance planning, modernisation and optimisations of the system, installation of new components and control systems.

The Company has succeeded in re-establishing its previous position as one of the leading manufacturers of components for high pressures and temperatures for the most advanced pressurized systems.

Boilerworks is highly active within the area of service, and the Company has been able to re-establish its position as one of the leading operators in Scandinavia within this segment.

The introduction of the Lean ideas and Lean processes will be initiated during the next financial year.

Ejendomsanpartsselskabet Industrivej Nord 13

The activity of the company remains unchanged compared to 2013/14. The result achieved is deemed satisfactory.

Future outlook

The overall volume of orders of the Thermax Denmark Group at the end of the financial year is higher than last year and satisfactory.

The improved order fulfilment in Thermax Denmark Group has resulted in significant improvements, and throughout the coming year, Thermax Denmark Group will continue to focus on Lean optimisations, internal training and improvement of working processes.

It is the aim of the Thermax Denmark Group to create 2 profitable, strong and individually independent sales companies in Danstoker and Boilerworks, both as an attractive workplace with competent employees, based on competitive products sold to professional co-operation partners and customers in selected markets, where such products are delivered in the quality and at the time and price agreed.

It is also the Group's aim to achieve optimal utilisation of the production facilities.

The Management of Thermax Denmark is not of the opinion that the Group is facing special risks in the long term, neither in its markets nor otherwise.

The growing, necessary global political focus on CO₂ will in the long term contribute to making our CO_2 -neutral products within biofuels even more relevant and will contribute to securing the Thermax Denmark Group's continued positive development.

Satisfactory results are expected for the financial year 2015/16.

Particular risks

The Management of the Group is not of the opinion that it is faced with special risks in the long term, neither in terms of its markets, nor otherwise.

Social Responsibility

With regard to §99a of the Financial Statements Act on policies regarding Social Responsibility including human rights and climate impact, it should be noted that the Thermax Denmark Group does not, so far, have such written policies.

However, it is the declared intention of the Group in every respect and at any time to run a decent and responsible business, in compliance with all existing laws and regulations as well as with human rights.

Gender diversity

The Executive Board of Thermax Denmark ApS wants to give equal access to leadership positions for members of both sexes and believes that board members should be chosen for their overall competence.

Taking this in consideration and the Group's size and primary business area, it is however the Group's aim to have a 50 % / 50 % male-female balance in the Group's Executive Board before 31 March 2018. The aim is not fulfilled in the parent company as the Group's Executive Board of two men is unchanged in 2014/15.

It is the Group's policy that management positions are to be filled by the most qualified candidates, while both male and female management talents are trained and upgraded. The proportion of female managers is unchanged in 2014/15.

Knowledge resources

The Thermax Denmark Group performs current development of processes and upgrading of employees.

Environmental conditions

The Thermax Denmark Group is devoted to environmental issues and is constantly striving to reduce the environmental impact resulting from the operations of the Group. The Group companies have no outstanding issues with the environmental authorities in complying with environmental permits and other environmental regulations.

Events after balance sheet date

The Management is of the opinion that from the balance sheet date until today, no events have occurred which could alter the assessment of the annual report substantially.

Consolidated financial statements and parent company financial statements for the period 1 April 2014 - 31 March 2015

Income Statement

	Notes	2014	4/15	2013	3/14	2014	/15	2013/	'14
		Consol	idated	Consolidated		Parent Company		Parent Company	
		DKK'000	Rs. Lacs	DKK'000	Rs. Lacs	DKK'000	Rs. Lacs	DKK'000	Rs. Lacs
Revenue	2	303,376	27,233.98	479,099	52,938.68	-	-	-	-
Production costs	3	(273,026)	(24,509.47)	(408,150)	(45,099.07)	-	-	-	-
Exceptional Items	5	(45,435)	(4,078.69)	-	-				
Gross profit		(15,085)	(1,354.18)	70,949	7,839.60	-	-	-	-
Distribution costs	3	(20,730)	(1,860.93)	(24,444)	(2,700.97)	-	-	-	-
Administrative expenses	3,4	(24,313)	(2,182.57)	(30,541)	(3,374.67)	(68)	(6.10)	(76)	(8.40)
Other operating income		25	2.24	-	-	-	-	-	-
Operating profit		(60,103)	(5,395.43)	15,964	1,763.96	(68)	(6.10)	(76)	(8.40)
Profits/losses from investments in subsidiaries	11	-	-	-	-	(61,454)	(5,516.71)	9,840	1,087.28
Financial income	6	1,673	150.18	2,087	230.61	91	8.17	242	26.74
Financial expenses	7	(7,103)	(637.63)	(7,378)	(815.24)	(3,329)	(298.84)	(4,124)	(455.69)
Profit before tax		(65,533)	(5,882.88)	10,673	1,179.33	(64,760)	(5,813.49)	5,882	649.94
Tax on profit for the year	8	1,583	142.11	(3,841)	(424.42)	810	72.71	950	104.97
Profit for the year		(63,950)	(5,740.77)	6,832	754.91	(63,950)	(5,740.77)	6,832	754.91
Proposed profit appropriation									
Reserve for net revaluation under the equity method		-	-	-	-	(517)	(46.41)	460	50.83
Retained earnings		(63,950)	(5,740.77)	6,832	754.91	(63,433)	(5,694.36)	6,372	704.08
		(63,950)	(5,740.77)	6,832	754.91	(63,950)	(5,740.77)	6,832	754.91

Balance sheet									
	Notes	2014/15		2013/14 Consolidated		2014/15 Parent Company		2013/14 Parent Company	
		Consol DKK'000	idated Rs. Lacs			Parent Co DKK'000	ompany Rs. Lacs		1 5
ASSETS		DKK 000	Ks. Lacs	DKK'000	Rs. Lacs	DKK 000	Ks. Lacs	DKK'000	Rs. Lacs
Non-current assets									
Intangible assets	9								
Goodwill		110,567	9,925.57	117,645	12,999.34	_	_	-	_
Licences, software		485	43.54	911	100.66	-	-	-	_
Development in progress		-	-	206	22.76	-	-	-	-
Development completed		146	13.11						
1 1		111,198	9,982.22	118,762	13,122.76				-
Property, plant and equipment	10								
Land and buildings		33,255	2,985.29	64,053	7,077.62	-	-	-	-
Plant and machinery		10,938	981.90	13,873	1,532.92	-	-	-	-
Fixtures and fittings, tools and equipment		1,326	119.03	2,456	271.38	-	-	-	-
Property, plant and equipment under construction		20	1.80	_,		-	-	-	-
····,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		45,539	4,088.02	80,382	8,881.92				_
Investments	11								
Investments in subsidiaries		-		-		146,489	13,150.28	220,040	24,313.61
		-	-	-	-	146,489	13,150.28	220,040	24,313.61
Total non-current assets		156,737	14,070.24	199,144	22,004.68	146,489	13,150.28	220,040	24,313.61
Current assets									
Inventories									
Raw materials and consumables		14,632	1,313.51	18,633	2,058.88	-	-	-	-
Semi-finished goods		3,314	297.50	3,594	397.12				-
		17,946	1,611.01	22,227	2,456.00	-			-
Receivables									
Trade receivables		23,508	2,110.31	38,509	4,255.10	-	-	-	-
Work in progress (customer-specific orders)	12	31,748	2,850.01	86,535	9,561.80	-	-	-	-
Amounts owed by group companies		15	1.35	7,109	785.52	7,892	708.46	10,307	1,138.89
Corporation tax receivable		-	-	3,090	341.43	-	-	3,090	341.43
Other receivables		2,134	191.57	2,422	267.62	-	-	-	-
Prepayments	13	1,183	106.20	986	108.95	-	-		-
		58,588	5,259.43	138,651	15,320.43	7,892	708.46	13,397	1,480.32
Cash at bank and in hand		8,838	793.38	11,668	1,289.27	1,132	101.62	2,356	260.33
Total current assets		85,372	7,663.82	172,546	19,065.70	9,024	810.08	15,753	1,740.65
Total assets		242,109	21,734.06	371,690	41,070.38	155,513	13,960.36	235,793	26,054.26

THERMAX DENMARK ApS

Balance sheet

	Notes	2014 Consoli		2013 Consoli		2014 Parent Co		2013/ Parent Co	
		DKK'000	Rs. Lacs	DKK'000	Rs. Lacs	DKK'000	Rs. Lacs	DKK'000	Rs. Lacs
EQUITY AND LIABILITIES									
Equity	14	-		-					
Share capital		75,000	6,732.73	75,000	8,287.22	75,000	6,732.73	75,000	8,287.22
Net revaluation according to the equity method		-	-	-	-	-	-	1,115	123.20
Retained earnings		28,135	2,525.67	92,115	10,178.37	28,135	2,525.67	91,000	10,055.17
Total equity		103,135	9,258.40	167,115	18,465.59	103,135	9,258.40	167,115	18,465.59
Provisions									
Deferred tax	15	9,707	871.39	19,970	2,206.61	-	-	-	-
Other provisions	16	9,533	855.77	2,382	263.20	-	-	-	-
Total provisions		19,240	1,727.17	22,352	2,469.81	-	-	-	-
Liabilities other than provisions									
Non-current liabilities other than provisions	17								
Mortgage credit institutions		15,356	1,378.50	16,569	1,830.81	-	-	-	-
Banks		28,668	2,573.52	48,004	5,304.27	27,313	2,451.88	45,963	5,078.74
		44,024	3,952.02	64,573	7,135.08	27,313	2,451.88	45,963	5,078.74
Current liabilities other than provisions									
Current portion of non-current liabilities other than provisions	17	20,501	1,840.37	20,527	2,268.16	18,674	1,676.36	18,385	2,031.47
Bank loans		-	-	369	40.77	-	-	-	-
Prepayments received from customers		4,983	447.32	8,433	931.82	-	-	-	-
Trade payables		13,895	1,247.35	39,280	4,340.30	-	-	-	-
Amounts owed to group companies		4,803	431.16	2,944	325.30	1,876	168.41	1,594	176.13
Corporation tax		2,659	238.70	-	-	2,659	238.70	-	-
Other payables		28,869	2,591.56	46,097	5,093.55	1,856	166.61	2,736	302.32
		75,710	6,796.47	117,650	12,999.89	25,065	2,250.08	22,715	2,509.92
Total liabilities other than provisions		119,734	10,748.49	182,223	20,134.97	52,378	4,701.96	68,678	7,588.67
Total equity and liabilities		242,109	21,734.06	371,690	41,070.38	155,513	13,960.36	235,793	26,054.26

Exchange rate: as at 31 March 2015 is 1 DKK = Rs 8.9770 Exchange rate: as at 31 March 2014 is 1 DKK = Rs 11.0496

Notes:

Accounting Policies - 1 Contractual obligations and contingencies ,etc - 18 Mortgages and collateral - 19 Related party disclosures - 20

Cash flow statement, consolidated

	2014	/15	2013	8/14
	DKK'000	Rs.Lacs	DKK'000	Rs.Lacs
Net profit for the year before tax	(65,533)	(5,882.88)	10,673	1,179.33
Depreciation for the year and gains from sales of fixed assets	12,877	1,155.96	13,544	1,496.56
Exceptional items, non-cash	38,933	3,495.01	-	-
Changes in equity	(14)	(1.26)	1,612	178.12
Corporation tax paid, net	1,380	123.88	(6,393)	(706.40)
Cash flows from operations (operating activities) before changes in working capital	(12,357)	(1,109.28)	19,436	2,147.61
Change in inventories	921	82.68	(873)	(96.46)
Change in receivables	36,371	3,265.02	(32,463)	(3,587.04)
Change in provisions	(6)	(0.54)	(234)	(25.86)
Change in current liabilities	(4,707)	(422.55)	24,737	2,733.35
Cash flows from operating activities	20,222	1,815.32	10,603	1,171.59
Acquisition of activity	-	-	(15,509)	(1,713.69)
Acquisition of intangible asset	(211)	(18.94)	(1,240)	(137.02)
Acquisition of property, plant and equipment, net	(2,016)	(180.98)	(3,112)	(343.86)
Cash flows from investing activities	(2,227)	(199.92)	(19,861)	(2,194.57)
Repayment of long-term debt	(20,456)	(1,836.33)	(11,562)	(1,277.56)
Proceeds from loans	-	-	1,179	130.28
Cash flows from financing activities	(20,456)	(1,836.33)	(10,383)	(1,147.28)
Net cash flows for the year	(2,461)	(220.92)	(19,641)	(2,170.26)
Cash and cash equivalents at 1 April 2014	11,299	1,014.31	30,940	3,418.76
Cash and cash equivalents at 31 March 2015	8,838	793.38	11,299	1,248.50
Evaluate rates as at 21 March 2015 is 1 DVV = $Pa = 9.0770$				

Exchange rate: as at 31 March 2015 is 1 DKK = Rs 8.9770 Exchange rate: as at 31 March 2014 is 1 DKK = Rs 11.0496

Statement of Changes in Equity for the period 1st April 2014 to 31st March 2015 Consolidated

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Particulars	Share capital		Retained earnings		Total	
	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs
Equity at 1st April 2014	75,000	6,732.73	92,115	8,269.14	167,115	15,001.87
Transferred, cf. profit appropriation	-	-	(63,950)	(5,740.77)	(63,950)	(5,740.77)
Foreign currency translation adjustments, foreign subsidiary	-	-	(70)	(6.28)	(70)	(6.28)
Change in value adjustments of hedging instruments	-	-	752	67.51	752	67.51
Change in value adjustments of hedging instruments in investments	-	-	(685)	(61.49)	(685)	(61.49)
Tax on changes in equity		-	(27)	(2.42)	(27)	(2.42)
Equity at 31 March 2015	75,000	6,732.73	28,135	2,525.67	103,135	9,258.40

Parent company

Particulars	Share capital		revaluation	Reserve for net revaluation under the equity method		Retained earnings		Total	
	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs	
Equity at 1st April 2014	75,000	6,732.73	1,115	100.09	91,000	8,169.05	167,115	15,001.87	
Transferred, cf. profit appropriation	-	-	-517	(46.41)	-63,433	(5,694.36)	-63,950	(5,740.77)	
Foreign currency translation adjustments, foreign subsidiary	-	-	-70	(6.28)	-	-	-70	(6.28)	
Change in value adjustments of hedging instruments	-	-	-	-	752	67.51	752	67.51	
Change in value adjustments of hedging instruments in investments	-	-	-685	(61.49)	-	-	-685	(61.49)	
Tax on changes in equity	-	-	157	14.09	-184	(16.52)	-27	(2.42)	
Equity at 31 March 2015	75,000	6,732.73		-	28,135	2,525.67	103,135	9,258.40	

The share capital comprises 75.000.000 shares of DKK 1 each. All shares rank equally.

THERMAX DENMARK ApS

Notes to the Financial Statements

1. Accounting policies

The annual report of Thermax Denmark ApS for 2014/15 has been prepared in accordance with the provisions applying to reporting class C enterprises (large) under the Danish Financial Statements Act.

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement for the parent company is prepared, as the parent company's cash flows are part of the consolidated cash flow statement.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the value of the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Certain financial assets and liabilities are measured at amortised cost implying the recognition of a constant effective interest rate to maturity. Amortised cost is calculated as initial cost minus any principal repayments and plus or minus the cumulative amortisation of any difference between cost and nominal amount.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment losses and provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

Consolidated financial statements

The consolidated financial statements comprise the parent company, Thermax Denmark ApS, and subsidiaries in which Thermax Denmark ApS directly or indirectly holds more than 50 % of the voting rights or which it, in some other way, controls. Enterprises in which the Group holds between 20 and 50 % of the voting rights and over which it exercises significant influence, but which it does not control, are considered associates, see the group chart.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets or liabilities at the acquisition date.

Business combinations

Enterprises acquired or formed during the year are recognised in the consolidated financial statements from the date of acquisition or formation. Enterprises disposed of are recognised in the consolidated income statement until the date of disposal. The comparative figures are not adjusted for acquisitions or disposals.

Gains or losses on disposal of subsidiaries and associates are stated as the difference between the sales amount and the carrying amount of net assets at the date of disposal plus non-amortised goodwill and anticipated disposal costs.

Acquisitions of enterprises are accounted for using the acquisition method, according to which the identifiable assets and liabilities acquired are measured at their fair values at the date of acquisition. Provision is made for costs related to adopted and announced plans to restructure the acquired enterprise in connection with the acquisition. The tax effect of the restatement of assets and liabilities is taken into account.

Any excess of the cost over the fair value of the identifiable assets and liabilities acquired (goodwill), including restructuring provisions, is recognised as intagible assets and amortised on a systematic basis in the income statement based on an individual assessment of the useful life of the asset, not exceeding 20 years. Any excess of the fair values of the identifiable assets and liabilities acquired over the cost of the acquisition (negative goodwill), representing an anticipated adverse development in the acquired enterprises, is recognised in the balance sheet as deferred income and recognised in the income statement as the adverse development is realised. Negative goodwill not related to any anticipated adverse development is recognised in the balance sheet at an amount corresponding to the fair value of non-monetary assets. The amount is subsequently recognised in the income statement over the average useful lives of the non-monetary assets.

Goodwill and negative goodwill from acquired enterprises can be adjusted until the end of the year following the year of acquisition.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements, is recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future assets and liabilities are recognised in other receivables or other payables and in equity. If the forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects profit or loss.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement on a regular basis.

Income statement

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement provided that delivery and transfer of risk to the buyer have taken place by the end of the year and that the income can be reliably measured and is expected to be received. Revenue is recognised ex. VAT and taxes charged on behalf of third parties.

Contract work in progress concerning customised production is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the selling price of work performed during the year (the percentage of completion method).

Production costs

Production costs comprise costs, including depreciation and amortisation and salaries, incurred in generating the revenue for the year. Such costs include direct and indirect costs for raw materials and consumables, wages and salaries, rent and leases, and depreciation of production plant.

Production costs also comprise research and development costs that do not qualify for capitalisation and amortisation of capitalised development costs.

Also, provision for losses on construction contracts is recognised.

Distribution costs

Costs incurred in distributing goods sold during the year and in conducting sales campaigns, etc., during the year are recognised as distribution costs. Also, costs relating to sales staff, advertising, exhibitions and depreciation are recognised as distribution costs.

Administrative expenses

Administrative expenses comprise expenses incurred during the year for company management and administration, including expenses for administrative staff, management, office premises and office expenses, and depreciation.

Profits/losses from investments in subsidiaries

The proportionate share of the results after tax of the individual subsidiaries is recognised in the income statement of the parent company after full elimination of intra-group profits/losses.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Exceptional items

Exceptional items include income and costs of a special nature which have a material impact and are non-recurring. Such income and costs include the cost of any gains and losses arising from disposals of assets, including investments. Exceptional items are listed in the income statement in connection with the related items in ordinary loss.

Tax on profit/loss for the year

The parent company is covered by the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries form part of the joint taxation from the date on which they are included in the consolidation of the consolidated financial statements and up to the date on which they exit the consolidation.

The parent company is the administrative company for the joint taxation and consequently settles all corporation tax payments with the tax authorities.

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity. The tax expense recognised in the income statement relating to the extraordinary profit/loss for the year is allocated to this item whereas the remaining tax expense is allocated to the profit/loss for the year from ordinary activities.

Balance sheet

Intangible assets

Goodwill is amortised over its estimated useful life determined on the basis of Management's experience of the specific business areas. Goodwill is amortised on a straight-line basis over a maximum amortisation period of 20 years, due to strategically acquired enterprises with strong market positions and long-term earnings profiles.

Software rights are measured at cost less accumulated amortisation and impairment losses. Software rights are amortised on a straight-line basis over the expected useful life which has been fixed at three years.

Development costs comprise costs, salaries and amortisation directly or indirectly attributable to the Company's development activities. Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 3 years.

Gains and losses on the disposal of development costs, software rights, and Licences are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, subsuppliers, and wages and salaries.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Buildings	30-50 years
Roofing tiles and paving stones	20 years
Plant and machinery	3-10 years
Fixtures and fittings, tools and equipment	3-5 years

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Leases

Leases for non-current assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are initially recognised in the balance sheet at the lower of fair value and the net present value of future lease payments. In calculating the net present value of the future lease payments, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the Company's other non-current assets.

The capitalised residual lease obligation is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

All other leases are operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed in contingent liabilities, etc.

Investments in subsidiaries

Investments in subsidiaries are measured under the equity method.

Investments in subsidiaries are measured at the proportionate share of the enterprises' net asset values calculated in accordance with the Group's accounting policies minus or plus unrealised intra-group profits and losses and plus or minus any residual value of positive or negative goodwill determined in accordance with the acquisition method.

Investments in subsidiaries with negative net asset values are measured at DKK 0 (nil), and any amounts owed by such enterprises are written down if the amount owed is irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the amount owed, the remaining amount is recognised under provisions.

Net revaluation of investments in subsidiaries is recognised in the reserve for net revaluation in equity under the equity method to the extent that the carrying amount exceeds cost. Dividends from subsidiaries which are expected to be adopted before the approval of the annual report of Thermax Denmark A/S are not recognised in the reserve for net revaluation.

On acquisition of subsidiaries, the acquisition method is applied, please see Consolidated financial statements above.

Impairment of non-current assets

The carrying amount of intangible assets and property, plant and equipment as well as investments in subsidiaries is subject to an annual test for indications of impairment other than the decrease in value reflected by amortisation or depreciation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the expected net cash flows from the use of the asset or the group of assets and expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Inventories

Inventories are measured at average cost. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Semi-finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as maintenance and depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost. Write-down to net realisable value is made for expected losses.

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Work in progress (customised orders)

Work in progress (customised orders) are measured at the selling price of the work performed, less any payments received on account of the customer and expected losses. The orders are characterized by the fact that the orders contain high levels of individualization of the design. Moreover, it is a requirement that before the start of the order a binding order has been entered, which will result in penalty or replacement by later removal.

The selling price is measured by reference to the stage of completion at the balance sheet date and total expected income from the contract. The stage of completion is determined on the basis of an estimate of the work, usually calculated as the ratio between the costs incurred and total estimated costs of the order or hours worked and the total estimated hours worked for that order.

When it is probable that total costs for an order will exceed total revenue, the expected loss on the order is immediately recognised as an expense and a provision.

When the selling price of an individual order cannot be measured reliably, the selling price is measured at the lower of costs incurred and net realisable value.

Net assets are determined as the sum of orders where the selling price of the work performed exceeds progress billings. Net liabilities are determined as the sum of orders where progress billings exceed the selling price.

Prepayments from customers are recognized as liabilities.

Selling costs and costs incurred in securing contracts are recognised in the income statement when incurred.

Prepayments

Prepayments comprise costs incurred in relation to subsequent financial years.

Equity

Reserve for net revaluation according to the equity method

Net revaluation of investments in subsidiaries and associates is recognised at cost in the reserve for net revaluation according to the equity method.

The reserve may be eliminated in case of losses, realisation of investments or a change in accounting estimates.

The reserve cannot be recognised at a negative amount.

Dividends

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

In its capacity as the administrative company, Thermax Denmark ApS is liable for its subsidiaries' corporation taxes towards the tax authorities concurrently with the payment of joint taxation contribution by the subsidiaries.

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Joint taxation contribution payable and receivable is recognised in the balance sheet as "Corporation tax receivable" or "Corporation tax payable".

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where different tax rules can be applied to determine the tax base, deferred tax is measured based on Management's planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry-forwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intragroup profits and losses.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Provisions

Provisions comprise anticipated costs related to warranties, losses on work in progress, guarantees etc. Provisions are recognised when, as a result of past

events, the Company has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at net realisable value. If the obligation is expected to be settled far into the future, the obligation is measured at fair value.

Warranties comprise obligations to make good any defects within the warranty period of one to five years. Provisions for warranties are measured at net realisable value and recognised based on past experience. Provisions expected to be maintained for more than one year from the balance sheet date are discounted at the average bond interest rate.

If it is likely that total costs will exceed total income from contract work in progress, a provision is made for the total loss anticipated on the contract. The provision is recognised in production costs.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Financial liabilities also include the capitalised residual obligation on finance leases.

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the Company's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less that are readily convertible to cash and are subject to an insignificant risk of changes in value.

Segment information

Information is provided on business segments and geographical markets. Segment information is based on the Company's accounting policies, risks and internal financial management.

Financial ratios

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2010".

The financial ratios stated in the survey of financial highlights have been calculated as follows:

Operating margin	Operating Profit X 100
	Revenue
Return on invested capital	Operating Profit X 100
	Average Invested Capital
Invested capital	Operating intangible assets and property, plant and equipment plus net working capital
Equity ratio	Equity at the year end X 100
	Total equity & liabilities at the year end
Return on equity	Profit from ordinary activities after tax X 100

2 Segment information

	Consoli	dated	Parent co	mpany
DKK'000	2014/15	2013/14	2014/15	2013/14
Revenue - boilers etc.				
Europe	295,529	442,821	-	
Outside Europe	7,847	36,278	-	-
	303,376	479,099	-	-
3 Employee relations				
Wages and salaries	111,546	140,167	-	
Pensions	8,238	10,299	-	
Other social security costs	2,221	3,894	-	
	122,005	154,360		
Remuneration and pensions of the Executive Board	_	-	_	
Average number of full-time employees	259	330	-	
4 Fees paid to auditors appo	ointed at the a	nnual genera	l meeting	
Fee regarding statutory audit	341	473	21	19

Fee regarding statutory audit	341	473	21	19
Assurance engagements	36	36	6	6
Tax assistance	17	-	-	-
Other assistance	339	375	32	43
	733	884	59	68

5 Exceptional items

Regarding the bankruptcy in Omnical GmbH

Write-down on investment in connection to bankruptcy	33,456	-	-	-
Guarantee obligations and other costs related to the				
bankruptcy	11,979	-	-	-
	45,435			
6 Financial income				
Interest income from group enterprises	-	-	91	242
Other financial income	1,673	2,087	-	-
	1,673	2,087	91	242
7 Financial expenses				
Interest expense for group enterprises	-	-	-	-
Other interest expense	7,103	7,378	3,329	4,124
	7,103	7,378	3,329	4,124
8 Tax on the profit for the ye	ar			
Current tax for the year	4,383	591	-626	-666
Deferred tax adjustment for				
the year	-5,623	3,633	-	-
Adjustments of deferred tax				
due to changes in the tax rate	-316	-227		
	-1,556	3,997	-626	-666
Specified as follows:				
Tax on profit for the year	-1,583	3,841	-810	-950
Tax on changes in equity	27	156	184	284
	-1,556	3,997	-626	-666
	_	_	_	

9 Intangible assets

Consolidated

DKK'000	Development completed	Licences, software	Goodwill	Development in progress	Total
Cost at 1 April 2014	-	1,722	141,568	206	143,496
Foreign currency translation adjustments	-	-3	_	-	-3
Additions	_	206	1	4	211
	_		1	7	
Disposals	-	-600	-	-	-600
Transferred	210	-	-	-210	-
Cost at 31 March 2015	210	1,325	141,569		143,104
Impairment losses and amortisation at 1 April2014		811	23,922		24,733
Foreign currency translation adjustments	-	-3	-	-	-3
Amortisation	64	446	7,080	-	7,590
Disposals	-	-414	-	-	-414
Impairment losses and amortisation at 31 March 2015	64	840	31,002		31,906
Carrying amount at 31 March 2015	146	485	110,567		111,198

10 Property, plant and equipment Consolidated

DKK'000	Land and buildings	Plant and machin- ery	Fixtures and fittings, tools and equip- ment	Plants and equip- ment under con- struction	Total
Cost at 1 April 2014	70,253	18,725	4,214	-	93,192
Foreign currency translation adjustments	-69	-9	-9	-	-87
Additions	131	1,691	312	20	2,154
Disposals	-32,997	-2,423	-2,373	-	-37,793
Transferred	-	-	-	-	-
Cost at 31 March 2015	37,318	17,984	2,144	20	57,466
Impairment losses and depreciation at 1 April 2014	6,200	4,852	1,758	-	12,810
Foreign currency translation adjustments	-11	-1	-4	-	-16
Depreciation and impairment losses	1,388	3,231	693	-	5,312
Disposals	-3,514	-1,036	-1,629		-6,179
Impairment losses and depreciation at 31 March 2015	4,063	7,046	818	-	11,927
Carrying amount at 31 March 2015	33,255	10,938	1,326	20	45,539
Property, plant and equipment include finance leases with a carrying amount totalling			916		916

THERMAX DENMARK ApS

Investments in subsidiary

Cost at 1 April 2014	218,925
Additions	-
Cost at 31 March 2015	218,925
Value adjustments at 1 April 2014	1,115
Foreign currency translation adjustments	-69
Profits for the year	-54,481
Received dividend	-11,500
Change in value adjustments of hedging instruments in investments	-528
Depreciation, goodwill	-6,973
Value adjustments at 31 March 2015	-72,436
Carrying amount at 31 March 2015	146,489

Name	Regis- tered office	Voting rights and owner- ship	Share capital	Equity	Profit/loss before tax	
Danstoker A/S	Herning, Denmark	100%	10,001	25,200	-58,161	-57,511
Ejendomsan- parts-selskabet Industrivej Nord 13	Herning, Denmark	100%	200	12,631	3,532	3,030
DKK'000					2014/15	2013/14
12 Work in prog	gress (custo	mer-specif	c orders)			
Consolidated						

Work in progress 11	6,972	260,212
Payment on account -8	5,224	-173,677
3	1,748	86,535

13 Prepayments

DKK'000

11 Investments Parent Company

Consolidated		
Prepaid insurance premiums	211	331
Other prepaid costs	972	655
	1,183	986

14 Equity

	(Consolidate	1
DKK'000	Share capital	Retained earnings	Total
Equity at 1 April 2014	75,000	92,115	167,115
Transferred, cf. profit appropriation	-	-63,950	-63,950
Foreign currency translation adjustments, foreign subsidiary	-	-70	-70
Change in value adjustments of hedging instruments	-	752	752
Change in value adjustments of hedging instruments in investments	-	-685	-685
Tax on changes in equity	-	-27	-27
Equity at 31 March 2015	75,000	28,135	103,135

		Parent c	ompany	
DKK'000	Share capital	Reserve for net revalua- tion under the equity method	Retained earnings	Total
Equity at 1 April 2014	75,000	1,115	91,000	167,115
Transferred, cf. profit appropriation	-	-517	-63,433	-63,950
Foreign currency translation adjustments, foreign subsidiary	-	-70	0	-70
Change in value adjustments of hedging instruments	-	0	752	752
Change in value adjustments of hedging instruments in investment	-	-685	0	-685
Tax on changes in equity	-	157	-184	-27
Equity at 31 March 2015	75,000	0	28,135	103,135
The share capital comprises 75,000,000 s	hares of DK	KK 1 each.	All shares rai	nk equally.
DKK'000			2014/15	2013/14
15 Deferred tax				
Consolidated				
Deferred tax at 1 April 2014			19,970	16,558
Foreign currency translation adjustments			-10	6
Deferred tax adjustment			-5,939	3,406
Disposals			-4,314	0
Deferred tax at 31 March 2015			9,707	19,970
Deferred tax relates to non-current assets	and work i	n nrooress	(advance on	account)

Deferred tax relates to non-current assets and work in progress (advance on account).

16 Other provisions

Consolidated

Provision for the year	7,151	-234
Other provisions at 31 March 2015	9,533	2,382

Other provisions consists of custom warranties, DKK 1,333 thousand (2013/14: DKK 2,382 thousand) and provision for guarantee obligations and other costs DKK 8,200 thousand (2013/14: DKK 0 thousand).

17 Non-current liabilities other than provisions

Consolidated

DKK'000	Total liabilities at 31/3 2015	Repayment next year	Long- term portion	Outstan- ding debt after 5 years
Mortgage credit institutions	16,497	1,141	15,356	11,690
Banks	48,028	19,360	28,668	0
Total liabilities	64,525	20,501	44,024	11,690
Parent company				
DKK'000	Total liabilities at 31/3 2015	Repayment next year	Long- term portion	Outstan- ding debt after 5 years
Banks	45,987	18,674	27,313	0
Total liabilities	45,987	18,674	27,313	0

18 Contractual obligations and contingencies, etc.

Consolidated

Lease obligations (operating leases) falling due within three years total DKK 1,224 thousand, hereof DKK 559 thousand is falling due 2015/16.

The Group has entered into interest rate swap contracts concerning a loan amounting to totally DKK 13,348 thousand and another loan amounting to EUR 6,250 thousand, with a net position as of 31 March 2015 of totally DKK -4,426 thousand.

The Group has entered into forward exchange contracts concerning currency in SEK 12,600 thousand with a net position as of 31 March 2015 to DKK -58 thousand.

Parent company

The parent company has entered into an interest rate swap contract concerning a loan amounting to EUR 6,250 thousand, with a net position as of 31 March 2015 of DKK -1,485 thousand.

The company is jointly taxed with the Danish subsidiaries. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties.

19 Mortgages and collateral

Consolidated

Land and buildings with a carrying amount of DKK 28,962 thousand out of a total carrying amount of land and buildings of DKK 33,255 thousand at 31 March 2015 have been provided as collateral for mortgages of DKK 16,498 thousand.

The group has provided collateral in land and buildings, nom. DKK 26,000 thousand for all balances between bank and the group, at 31 March 2015 balances amounted to DKK 1,125 thousand (2013/14: DKK 1,625 thousand).

Mortgage registered to the mortgagor at a nominal amount of DKK 7,500 thousand secured on plant and machinery, fixture and fittings, other plant and equipment and

goodwill with a carrying amount of DKK 7,021 thousand has been provided as collateral for loan raised with credit institution.

Performance bonds and advance payment guarantees issued by guarantee insurers amount to DKK 32,599 thousand (2013/14: DKK 60,669 thousand).

Guarantees have been undertaken whereby primary liability is assumed towards credit institutions for all performance bonds and outstanding balances between other enterprises and credit institutions. At 31 March 2015, the guarantee commitment amounted to DKK 6,458 thousand (2013/14: DKK 0 thousand).

Mortgage registered to the owner, nominal DKK 500 thousand, is held by the Group.

20 Related party disclosures

Thermax Denmark ApS' related parties comprise the following:

Parties exercising control

Thermax Netherlands B.V. holds the majority of the share capital in the Company. **Information about consolidated financial statements**

Parent	Domicile	Requisitioning of the parent's consolidated financial statements
Thermax Ltd.	India	www.thermaxglobal.com

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5 % of the voting rights or minimum 5 % of the share capital:

Thermax Netherlands B.V.

Herikerbergweg 238

1101 CM Amsterdam

The Netherlands

DANSTOKER A/S

Board of Directors

Hemant Prabhakar Mohgaonkar (Chairman) Amitabha Mukhopadhyay (Vice Chairman) Jan Enemark Holger Michael Diechmann Jepsen Morten Friis Jensen

Executive Board

Jan Enemark Knud Dürr

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Danstoker A/S for the financial year 1 April 2014 - 31 March 2015.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 March 2015 and of the results of the Company's operations for the financial year 1 April 2014 - 31 March 2015.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Herning, 5 May 2015

Executive Board:

Ian Enemark

Knud Dürr

Board of Directors:

Hemant Prabhakar Mohgaonkar Chairman

Amitabha Mukhopadhyay Vice Chairman

Holger Michael Diechmann Jepsen (Elected by the employees)

Morten Friis Jensen (Elected by the employees)

Registered Office

Industivej Nord 13 DK-7400 Herning Denmark

Auditors

Ernst & Young Godkendt Revisionspartnerselskab Havnegade 33 DK 6700 Esbjerg

Independent Auditor's Report

To the shareholders of Danstoker A/S

Independent auditors' report on the financial statements

We have audited the financial statements of Danstoker A/S for the financial year 1 April 2014 - 31 March 2015, which comprise income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to 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 auditors' judgement, 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 auditors consider internal control relevant to the Company's preparation of financial statements that give a true and fair view 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

Opinion

Jan Enemark

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 March 2015 and of the results of its operations for the financial year 1 April 2014 - 31 March 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Esbjerg, 5 May 2015

ERNST & YOUNG

Godkendt Revisionspartnerselskab

John Lesbo	Birg
State Authorised	State
Public Accountant	Publ

itte Nygaard Jørgensen e Authorised lic Accountant

Ic

Management's review

Company details

Danstoker A/S Industrivej Nord 13 DK-7400 Herning

 Telephone:
 + 45 99 28 71 00

 CVR no.
 16 14 72 49

 Established:
 13 April 1992

 Registered office:
 Herning

 Financial year:
 1 April – 31 March

Board of Directors

Hemant Prabhakar Mohgaonkar (Chairman) Amitabha Mukhopadhyay (Vice Chairman) Jan Enemark Holger Michael Diechmann Jepsen (Elected by the employees) Morten Friis Jensen (Elected by the employees)

Executive Board

Jan Enemark Knud Dürr

Auditors

Ernst & Young Godkendt Revisionspartnerselskab Havnegade 33 DK-6700 Esbjerg

Financial highlights

DKK m	2014/15 (12 months)	2013/14 (12 months)	2012/13 (12 months)	2010/12 (18 months)	2009/10 (12 months)
Key figures					
Gross profit	29	54	52	74	51
Ordinary operating profit/ loss	-1	24	23	30	26
Profit/loss before tax	-58	20	20	28	24
Profit/loss for the year	-58	14	14	20	17
Total assets	89	159	138	140	137
Investment in property, plant and equipment	2	2	4	2	2
Equity	25	94	80	94	74
Financial ratios					
Return on invested capital	-0.9	22.3	24.8	33.4	23.9
Equity ratio	28.4	59.3	58.0	67.5	54.3
Return on equity	-96.2	16.1	15.9	16.2	23.3
Average number of full- time employees	144	152	145	132	117

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2010". For terms and definitions, please see the accounting policies.

Operating review

Danstoker A/S, which has its registered address in the municipality of Herning, is a fully-owned subsidiary of Thermax Denmark ApS.

The ultimate parent company of the Group is RDA Holdings Pvt Ltd., Pune, India.

Danstoker A/S is the parent company of Boilerworks A/S.

The Danstoker Group designs, manufactures and sells boilers and associated equipment to the energy market, including also rebuilding and servicing of boilers. The Danstoker Group product range is continuously adapted to the 4 energy categories:

- Solid fuel market, mainly based on biofuels
- Combined heat and power market
- Exhaust gas market
- Oil/gas market

Development during the year under review

Danstoker A/S has had a lower level of activity than expected within the biomass segment but has nevertheless been able to maintain its position as the absolute market-leader within medium-sized biofuel boilers in Scandinavia.

Within the market segment of oil and gas-fired boilers, Danstoker has maintained its position in the primary markets, but no orders for the Russian market were received during the last year due to the crisis in Ukraine.

The market segments for combined heat and power boilers and for exhaust gas boilers have been more or less on budget in the year under review, and the after-sales services activities have developed positively.

Danstoker A/S has continued working successfully on the implementation of the Lean idea and Lean processes throughout the value chain of the Company, from the initial customer contact until the handing-over of boilers.

The main activities of Boilerworks A/S are service jobs on water-tube boilers and the manufacture of economizers and high pressure boiler components of the water-tube design. Many service jobs have been put on hold, but optimism is clearly returning to the markets again.

After extensive studies to verify whether a turnaround process could be initiated, the decision to close Omnical Kessel- und Apparatebau GmbH was made in September 2014. The accounting consequences of this decision is primarily attributable to exceptional loss with regard to depreciation of the asset in the balance sheet, take-over warranty obligations and operating losses from April to September 2014.

This year, the Danstoker Group has achieved overall results that are lower than provided for in the budget. The results achieved are not satisfactory.

Profit for the year before tax of DKK -58,161 thousand and after tax of DKK -57,511 thousand.

Environmental conditions

Danstoker A/S is devoted to environmental issues and is constantly striving to reduce the environmental impact resulting from the operations of the Company. The Company has no outstanding issues with the environmental authorities in complying with environmental permits and other environmental regulations.

Events after the balance sheet date

The Management is of the opinion that from the balance sheet date until today, no events have occurred which could substantially alter the assessment of the annual report.

Future outlook

The overall volume of orders of the Danstoker Group at the end of the financial year is higher than last year and satisfactory.

The improved order fulfilment in Danstoker has resulted in significant improvements, and throughout the coming year, Danstoker will continue to focus on Lean optimisations, internal training and improvement of working processes.

It is the aim of the Danstoker Group to create 2 profitable, strong and individually independent sales companies in Danstoker A/S and Boilerworks A/S, both as an attractive workplace with competent employees, based on competitive products sold to professional co-operation partners and customers in selected markets where such products are supplied in the quality and at the time and price agreed.

It is also the Group's aim to achieve optimal utilisation of the production facilities.

The Management of Danstoker A/S is not of the opinion that the Company is facing special long-term risks, neither in its markets nor otherwise.

The growing, necessary, political focus on CO_2 on a global scale will in the long term contribute to making our CO_2 -neutral products within biofuels even more relevant and will contribute to securing the Danstoker Group's continued positive development.

Satisfactory results are expected for the financial year 2015/16.

DANSTOKER A/S

Financial statements 1 April 2014 – 31 March 2015

Income statement

		2014/	15	2013/	14
	Note	DKK'000	Rs. Lacs	DKK'000	Rs. Lacs
Gross profit	2	29,275	2,628.01	53,746	5,938.74
Sales and distribution costs		(16,081)	(1,443.59)	(14,913)	(1,647.83)
Administrative expenses		(14,637)	(1,313.96)	(15,170)	(1,676.23)
Operating (Loss)/ Profit		(1,443)	(129.54)	23,663	2,614.67
Loss on investments in subsidiaries	9	(10,408)	(934.32)	(3,978)	(439.55)
Exceptional items	3	(45,435)	(4,078.69)	-	-
Financial income	4	1,628	146.15	1,647	181.99
Financial expenses	5	(2,503)	(224.69)	(1,773)	(195.91)
(Loss)/ Profit before tax		(58,161)	(5,221.10)	19,559	2,161.20
Tax on (Loss) / profit for the year	6	650	58.35	(5,543)	(612.48)
(Loss)/ Profit for the year		(57,511)	(5,162.75)	14,016	1,548.72
Proposed profit appropriation					
Interim dividends		11,500	1,032.35	-	-
Proposed dividends		-	-	-	-
Revaluation reserve in subsidiary		(20,462)	(1,836.87)	-	-
Net revaluation according to the equity method		(4,963)	(445.53)	(3,978)	(439.55)
Retained earnings		(43,586)	(3,912.70)	17,994	1,988.27
		(57,511)	(5,162.75)	14,016	1,548.72

Balance sheet

DKK'000 Rs. Laes DKK'000 Rs. Laes ASSETS Non-current assets Intangible assets 7 Licences, software 37 3.32 104 11.49 Property, plant and equipment 8 7 100 11.40 Property, plant and equipment 8 6.084 672.26 Fixtures and fittings, tools and equipment 1.166 104.67 1.430 158.01 Property, plant and equipment under construction 20 1.80 - </th <th></th> <th>Note</th> <th>2014/1</th> <th>5</th> <th colspan="2">2013/14</th>		Note	2014/1	5	2013/14	
Non-current assets 7 Licences, software 37 3.32 104 11.49 Property, plant and equipment 8 7 3.32 104 11.49 Property, plant and equipment 8 $5,835$ 523.81 6.084 672.26 Fixtures and fittings, tools and equipment 1,166 104.67 1.430 $ -$ Property, plant and equipment under construction 20 1.80 $ -$ <			DKK'000	Rs. Lacs	DKK'000	Rs. Lacs
$\begin{array}{ c c c c } Intanglibe assets & 7 \\ \begin{tabular}{ c c c c } Licences, software & 37 & 3.32 & 104 & 11.49 \\ \hline & 37 & 3.32 & 104 & 11.49 \\ \hline & 37 & 3.32 & 104 & 11.49 \\ \hline & 37 & 3.32 & 104 & 11.49 \\ \hline & 37 & 3.32 & 104 & 11.49 \\ \hline & 37 & 3.32 & 104 & 11.49 \\ \hline & 37 & 3.32 & 104 & 11.49 \\ \hline & 37 & 3.32 & 104 & 11.49 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114 & 114 \\ \hline & 114 & 114 & 114$	ASSETS					
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Property, plant and equipment 8 37 3.32 104 11.49 Plant and machinery 5,835 523.81 6,084 672.26 Fixtures and fittings, tools and equipment 1,166 104.67 1,430 158.01 Property, plant and equipment under construction 20 1.80 - - 7,021 630.27 7,514 830.27 Investments 9 - - - Investments 9 - - - Investments in subsidiaries 2,311 207.46 41,815 4,620.40 Quarter tasets 9,369 841.05 49,433 5,462.16 Current assets 9,369 841.05 49,433 5,462.16 Inventories - - - - - Raw materials and consumables 12,167 1,092.23 12,812 1,415.68 Semi-finished goods 3,314 297.50 3,594 397.12 Trade receivables 19,588 1,758.41 19	Intangible assets	7				
Property, plant and equipment 8	Licences, software		37	3.32	104	11.49
Plant and machinery 5.835 523.81 6.084 672.26 Fixtures and fittings, tools and equipment 1,166 104.67 1,430 158.01 Property, plant and equipment under construction 20 1.80 - - 7,021 630.27 7,514 830.27 Investments 9 - - - Investments 9 - - - Total non-current assets 2,311 207.46 41.815 4,620.40 Quirent assets 9,369 841.05 4,620.40 Current assets 9,369 3,314 297.50 3,594 397.12 Inventories 3,314 297.50 3,594 397.12 14.15.6 14.15.84 1.1389.73 16.406 11.812.80 Receivables 19,588 1,758.41 19.949 2.204.29 397.12 Work in progress (customer-specific orders) 10 30,045 2.697.13 50.902 5.624.48 Amounts owed by group companies 2,117 190.04 353 39.01 Prepayments 11 2,084			37	3.32	104	11.49
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Property, plant and equipment	8				
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Plant and machinery		5,835	523.81	6,084	672.26
True 7,021 630.27 7,514 830.27 Investments 9 Investments in subsidiaries 9 Investments in subsidiaries 2,311 207.46 41,815 4,620.40 Z,311 207.46 41,815 4,620.40 Z,311 207.46 41,815 4,620.40 Z,311 207.46 41,815 4,620.40 Gaine 9,369 841.05 49,433 5,462.16 Current assets 9,369 841.05 49,433 5,462.16 Inventories 12,167 1,092.23 12,812 1,415.68 Semi-finished goods 3,314 297.50 3,594 397.12 Trade receivables 13,481 1,389.73 16,406 1,812.80 Receivables 19,588 1,758.41 19,949 2,204.29 Work in progress (customer-specific orders) 10 30,045 2,697.13 50,902 5,624.48 Amounts owed by group companies 2,117 190.04 353 39.01 Prepayments 11 2,084 187.08 1,932	Fixtures and fittings, tools and equipment		1,166	104.67	1,430	158.01
Investments 9 Investments in subsidiaries 2,311 207.46 41,815 4,620.40 2,311 207.46 41,815 4,620.40 2,311 207.46 41,815 4,620.40 Total non-current assets 9,369 841.05 49,433 5,462.16 Current assets 9,369 841.05 49,433 5,462.16 Inventories 8 12,167 1,092.23 12,812 1,415.68 Semi-finished goods 3,314 297.50 3,594 397.12 Trade receivables 11,5481 1,389.73 16,406 1,812.80 Receivables 19,588 1,758.41 19,949 2,204.29 Work in progress (customer-specific orders) 10 30,045 2,697.13 50.902 5,624.48 Amounts owed by group companies 2,117 190.04 353 39.01 Prepayments 2,117 190.04 353 39.01 Prepayments 11 2,084 187.08 1,932 213.48	Property, plant and equipment under construction		20	1.80	-	-
Investments in subsidiaries 2,311 207.46 41,815 4,620.40 10tal non-current assets 9,369 841.05 49,433 5,462.16 Current assets 9,369 841.05 49,433 5,462.16 Inventories 12,167 1,092.23 12,812 1,415.68 Semi-finished goods 3,314 297.50 3,594 397.12 Istal receivables 15,481 1,389.73 16,406 1,812.80 Receivables 19,588 1,758.41 19,949 2,204.29 Work in progress (customer-specific orders) 10 30,045 2,697.13 50,902 5,624.48 Amounts owed by group companies 11 2,084 187.08 1,932 2,13.48 Other receivables 2,117 190.04 353 39.01 Prepayments 11 2,084 187.08 1,932 213.48 G2,168 5,580.81 86,117 9,515.61 Cash at bank and in hand 18.61 167.06 7,227 798.56 Total current assets 79,510 7,137.59 109,750 12,126.97 <td></td> <td></td> <td>7,021</td> <td>630.27</td> <td>7,514</td> <td>830.27</td>			7,021	630.27	7,514	830.27
Investments in subsidiaries 2,311 207.46 41,815 4,620.40 10tal non-current assets 9,369 841.05 49,433 5,462.16 Current assets 9,369 841.05 49,433 5,462.16 Inventories 12,167 1,092.23 12,812 1,415.68 Semi-finished goods 3,314 297.50 3,594 397.12 Istal receivables 15,481 1,389.73 16,406 1,812.80 Receivables 19,588 1,758.41 19,949 2,204.29 Work in progress (customer-specific orders) 10 30,045 2,697.13 50,902 5,624.48 Amounts owed by group companies 11 2,084 187.08 1,932 2,13.48 Other receivables 2,117 190.04 353 39.01 Prepayments 11 2,084 187.08 1,932 213.48 G2,168 5,580.81 86,117 9,515.61 Cash at bank and in hand 18.61 167.06 7,227 798.56 Total current assets 79,510 7,137.59 109,750 12,126.97 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>						
Zight of the constraint o	Investments	9				
Total non-current assets 9,369 841.05 49,433 5,462.16 Current assets Inventories 7	Investments in subsidiaries		2,311	207.46	41,815	4,620.40
Current assets Joint Current assets Inventories 12,167 1,092.23 12,812 1,415.68 Semi-finished goods 3,314 297.50 3,594 397.12 Is,481 1,389.73 16,406 1,812.80 Receivables 11 19,588 1,758.41 19,949 2,204.29 Work in progress (customer-specific orders) 10 30,045 2,697.13 50,902 5,624.48 Amounts owed by group companies 8,334 748.14 12,981 1,434.35 Other receivables 2,117 190.04 353 39.01 Prepayments 11 2,084 187.08 1,932 213.48 Cash at bank and in hand 167.06 7,227 798.56 Total current assets 79,510 7,137.59 109,750 12,126.97			2,311	207.46	41,815	4,620.40
Inventories Raw materials and consumables 12,167 1,092.23 12,812 1,415.68 Semi-finished goods 3,314 297.50 3,594 397.12 Inventories 15,481 1,389.73 16,406 1,812.80 Receivables 19,588 1,758.41 19,949 2,204.29 Work in progress (customer-specific orders) 10 30,045 2,697.13 50,902 5,624.48 Amounts owed by group companies 2,117 190.04 353 39.01 Prepayments 2,117 190.04 353 39.01 Prepayments 11 2,084 187.08 1,932 213.48 Cash at bank and in hand 1,861 167.06 7,227 798.56 Total current assets 79,510 7,137.59 109,750 12,126.97	Total non-current assets		9,369	841.05	49,433	5,462.16
Raw materials and consumables 12,167 1,092.23 12,812 1,415.68 Semi-finished goods 3,314 297.50 3,594 397.12 Instantiation of the second seco	Current assets					
Semi-finished goods 3,314 297.50 3,594 397.12 Is,481 1,389.73 16,406 1,812.80 Receivables 1 1,389.73 16,406 1,812.80 Trade receivables 19,588 1,758.41 19,949 2,204.29 Work in progress (customer-specific orders) 10 30,045 2,697.13 50,902 5,624.48 Amounts owed by group companies 8,334 748.14 12,981 1,434.35 Other receivables 2,117 190.04 353 39.01 Prepayments 11 2,084 187.08 1,932 213.48 G2,168 5,580.81 86,117 9,515.61 Cash at bank and in hand 1,861 167.06 7,227 798.56 Total current assets 79,510 7,137.59 109,750 12,126.97	Inventories					
Instruction	Raw materials and consumables		12,167	1,092.23	12,812	1,415.68
Receivables 19,588 1,758.41 19,949 2,204.29 Work in progress (customer-specific orders) 10 30,045 2,697.13 50,902 5,624.48 Amounts owed by group companies 8,334 748.14 12,981 1,434.35 Other receivables 2,117 190.04 353 39.01 Prepayments 11 2,084 187.08 1,932 213.48 Cash at bank and in hand 1,861 167.06 7,227 798.56 Total current assets 79,510 7,137.59 109,750 12,126.97	Semi-finished goods		3,314	297.50	3,594	397.12
Trade receivables 19,588 1,758.41 19,949 2,204.29 Work in progress (customer-specific orders) 10 30,045 2,697.13 50,902 5,624.48 Amounts owed by group companies 8,334 748.14 12,981 1,434.35 Other receivables 2,117 190.04 353 39.01 Prepayments 11 2,084 187.08 1,932 213.48 Cash at bank and in hand 1,861 167.06 7,227 798.56 Total current assets 79,510 7,137.59 109,750 12,126.97			15,481	1,389.73	16,406	1,812.80
Work in progress (customer-specific orders) 10 30,045 2,697.13 50,902 5,624.48 Amounts owed by group companies 8,334 748.14 12,981 1,434.35 Other receivables 2,117 190.04 353 39.01 Prepayments 11 2,084 187.08 1,932 213.48 Cash at bank and in hand 1,861 167.06 7,227 798.56 Total current assets 79,510 7,137.59 109,750 12,126.97	Receivables					
Amounts owed by group companies 8,334 748.14 12,981 1,434.35 Other receivables 2,117 190.04 353 39.01 Prepayments 11 2,084 187.08 1,932 213.48 Cash at bank and in hand 1,861 167.06 7,227 798.56 Total current assets 79,510 7,137.59 109,750 12,126.97	Trade receivables		19,588	1,758.41	19,949	2,204.29
Other receivables 2,117 190.04 353 39.01 Prepayments 11 2,084 187.08 1,932 213.48 62,168 5,580.81 86,117 9,515.61 Cash at bank and in hand 1,861 167.06 7,227 798.56 Total current assets 79,510 7,137.59 109,750 12,126.97	Work in progress (customer-specific orders)	10	30,045	2,697.13	50,902	5,624.48
Prepayments 11 2,084 187.08 1,932 213.48 G2,168 5,580.81 86,117 9,515.61 Cash at bank and in hand 1,861 167.06 7,227 798.56 Total current assets 79,510 7,137.59 109,750 12,126.97	Amounts owed by group companies		8,334	748.14	12,981	1,434.35
62,168 5,580.81 86,117 9,515.61 Cash at bank and in hand 1,861 167.06 7,227 798.56 Total current assets 79,510 7,137.59 109,750 12,126.97	Other receivables		2,117	190.04	353	39.01
Cash at bank and in hand 1,861 167.06 7,227 798.56 Total current assets 79,510 7,137.59 109,750 12,126.97	Prepayments	11	2,084	187.08	1,932	213.48
Total current assets 79,510 7,137.59 109,750 12,126.97			62,168	5,580.81	86,117	9,515.61
	Cash at bank and in hand		1,861	167.06	7,227	798.56
88,879 7,978.64 159,183 17,589.14	Total current assets					-
	Total assets		88,879	7,978.64	159,183	17,589.14

Balance sheet

	Note	2014/15		2013/	14
		DKK'000	Rs. Lacs	DKK'000	Rs. Lacs
EQUITY AND LIABILITIES					
Equity	12				
Share capital		10,001	897.79	10,001	1,105.07
Revaluation reserve in subsidiary		-	-	20,462	2,260.98
Net revaluation according to the equity method		-	-	5,076	560.88
Retained earnings		15,201	1,364.59	58,786	6,495.64
Total equity		25,202	2,262.38	94,325	10,422.57
Provisions					
Deferred tax	13	5,898	529.46	11,100	1,226.51
Other provisions	14	9,040	811.52	810	89.50
Total provisions		14,938	1,340.98	11,910	1,316.01
Liabilities other than provisions					
Non-current liabilities	15				
Bank loans		1,355	121.64	2,041	225.52
		1,355	121.64	2,041	225.52
Current liabilities					
Current portion of non-current liabilities other than provisions	15	686	61.58	686	75.80
Prepayments received from customers	10	2,127	190.94	1,199	132.49
Trade payables		11,989	1,076.25	19,656	2,171.92
Amounts owed to group companies		14,706	1,320.15	14,233	1,572.69
Other payables		17,876	1,604.72	15,133	1,672.14
		47,384	4,253.65	50,907	5,625.04
Total liabilities other than provisions		48,739	4,375.29	52,948	5,850.56
Total equity and liabilities		88,879	7,978.64	159,183	17,589.14
Exchange rate: as at 31 March 2015 is 1 DKK = Rs 8.9770					

Exchange rate: as at 31 March 2014 is 1 DKK = Rs 11.0496

Notes:

Accounting policies - 1	Charges, security provided and contingencies, etc 17
Employee relations - 16	Related party disclosures - 18

Statement of Changes in Equity for the period 1 April 2014 to 31 March 2015

The share capital consists of 1 share at a nominal amount of DKK'000 10,001.

Sha		Share capital		reserve in liary	Net reva accordin equity 1	ng to the	Retained	Earnings	Proposed	dividends	To	tal
	DKK'000	Rs. Lacs	DKK'000	Rs. Lacs	DKK'000	Rs. Lacs	DKK'000	Rs. Lacs	DKK'000	Rs. Lacs	DKK'000	Rs. Lacs
Equity at 1 April 2014	10,001	897.79	20,462	1,836.87	5,075	455.58	58,787	5,277.29	-	-	94,325	8,467.53
Retained profit for the year	-	-	(20,462)	(1,836.87)	(4,963)	(445.53)	(43,586)	(3,912.70)	11,500	1,032.35	(57,511)	(5,162.75)
Paid dividends during the year	-	-	-	-	-	-	-	-	(11,500)	(1,032.35)	(11,500)	(1,032.35)
Equity adjustments of subsdiary	-	-	-	-	(43)	(3.86)	-	-	-	-	(43)	(3.86)
Foreign exchange adjustment of subsidiary	-	-	-	-	(69)	(6.19)	-	-	-	-	(69)	(6.19)
Equity at 31 March 2015	10,001	897.79					15,201	1,364.59			25,202	2,262.38

DANSTOKER A/S

Notes to the Financial Statements

1. Accounting policies

The annual report of Danstoker A/S for the period 1 April 2014 – 31 March 2015 has been prepared in accordance with the provisions applying to reporting class C medium-sized enterprises under the Danish Financial Statements Act.

Consolidated financial statements and cash flow statements have not been prepared as the same are not required as per section 86(4) and 112(1) of the Danish Financial Statements Act. The annual report of Danstoker A/S and related subsidiaries forms part of the consolidated financial statements of the Danish parent company, Thermax Denmark ApS.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

General comments on recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of such assets can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and the value of such liabilities can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned. Moreover, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment losses and provisions as well as reversals as a result of changes in accounting estimates of amounts that were previously recognised in the income statement.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated into Danish kroner at the exchange rates at the transaction date. Exchange rate differences arising between the exchange rates at the transaction date and the exchange rate at the date of payment are recognised as a financial income or financial expenses in the income statement.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the exchange rates at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised as financial income or financial expenses in the income statement.

Foreign subsidiaries are considered separate entities. The income statements are translated at the average exchange rates for the month in question, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on the translation of the opening equity of foreign subsidiaries at the exchange rates at the balance sheet date and on the translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with independent foreign subsidiaries that are considered part of the total investment in the subsidiary are recognised directly in equity. Foreign exchange gains and losses on loans and derivative financial instruments designated as currency hedges of foreign subsidiaries are also recognised directly in equity.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future assets and liabilities are recognised in other receivables or other payables and in equity. If the forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects profit or loss.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement on a regular basis.

Income statement

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement provided that delivery and transfer of risk to the buyer have taken place by the end of the year and that the income can be reliably measured and is expected to be received. Revenue is recognised ex. VAT and taxes charged on behalf of third parties.

Work in progress concerning customised production is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the selling price of work performed during the year (the percentage of completion method).

Sales and distribution costs

Sales and distribution costs comprise costs incurred for the distribution of goods sold during the year and for sales campaigns, etc., carried out during the year. Also, costs relating to sales staff, advertising, exhibition and depreciation are recognised as sales and distribution costs.

Administrative expenses

Administrative expenses comprise expenses incurred during the year for management and administration of the Company, including expenses for administrative staff, office premises and office expenses as well as depreciation.

Profit/loss from investments in subsidiaries

The Company's proportional share of the results after tax of the subsidiaries is recognised in the income statement after full elimination of intra-group gains/ losses and after deduction of amortisation of goodwill.

Financial income and expenses

Financial income and expenses comprise interest income and expense, capital gains and capital loss on securities, payables and transactions denominated in foreign currencies and amortisation of financial assets and liabilities.

Exceptional items

Exceptional items include income and costs of a special nature which have a material impact and are non-recurring. Such income and costs include the cost of any gains and losses arising from disposals of assets, including investments. Exceptional items are listed in the income statement in connection with the related items in ordinary loss.

Tax on profit/loss for the year

The Company is covered by the Danish rules on compulsory joint taxation of the Thermax Denmark ApS. Subsidiaries form part of the joint taxation from the date on which they are included in the consolidation and up to the date on which they exit the consolidation.

The Danish parent company, Thermax Denmark ApS, is the administrative company for the joint taxation and therefore settles all payments of corporation tax with the tax authorities.

The current Danish corporation tax is allocated between the jointly taxed enterprises in proportion to their taxable income. In this relation, enterprises with tax loss carry-forwards receive joint taxation contribution from enterprises which have used these losses to reduce their own taxable profits. The jointly taxed enterprises are taxed under the tax prepayment scheme.

Tax for the year which comprises joint taxation contributions, tax for the year and any changes in deferred tax is recognised in the income statement. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Intangible assets - Licences, software

Licences, software are measured at cost less accumulated amortisation and impairment losses. Amortisation takes place on a straight-line basis over the expected useful life which has been fixed at three years.

Gains or losses in connection with the disposal of software are stated as the difference between the selling price less selling costs and the carrying amount at the time of the sale. Gains or losses are recognised in the income statement under other operating income or other operating expenses, respectively.

Property, plant and equipment

Plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is ready for use.

Depreciation is provided on a straight-line basis over the expected useful lives and estimated residual values of the assets. The expected useful lives are as follows:

Plant and machinery	3-10 years
---------------------	------------

Fixtures and fittings, tools and equipment 3-5 years

Assets with a cost of less than DKK 13 thousand per unit are recognised as costs in the income statement in the year of acquisition.

Depreciation is recognised in the income statement as production costs, sales and distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Leases

Leases for non-current assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are initially recognised in the balance sheet at cost, corresponding to the lower of fair value and the net present value of future lease payments. In calculating the net present value of the future lease payments, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the Company's other non-current assets.

The capitalised residual lease obligation is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

All other leases are treated as operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed in contingent liabilities, etc.

Investments in subsidiaries

Investments in subsidiaries are measured according to the equity method.

Investments in subsidiaries are measured at the proportionate share of the equity value of the enterprises calculated in accordance with the Group's accounting policies minus or plus unrealised intra-group gains and losses and plus or minus the residual value of positive or negative goodwill determined in accordance with the purchase method.

Investments in subsidiaries with negative book values are measured at DKK 0 (nil), and any receivables from these companies are written down if the receivables are irrecoverable. If the parent company has any legal or constructive obligation to cover a deficit exceeding the receivables, the remaining amount is recognised under provisions.

Net revaluation of investments in subsidiaries is recognised in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds cost. Dividends from subsidiaries that are expected to be decided on prior to the adoption of the annual report of Danstoker A/S are not recognised in the net revaluation reserve.

Impairment of assets

The carrying amount of intangible assets and property, plant and equipment as well as investments in subsidiaries is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the expected net cash flows from the use of the asset or the group of assets and expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Inventories

Inventories are measured at average cost. Where the net realisable value is lower than cost, inventories are written down to the net realisable value.

Raw materials and consumables are measured at cost, comprising purchase price plus delivery costs. Semi-finished goods are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as maintenance and depreciation of production machinery, buildings and equipment as well as factory administration and management.

The net realisable value of inventories is calculated as the selling price less costs of completion and costs necessary to make the sale and is determined in consideration of marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost. Write-down to net realisable value is made for expected losses.

Work in process (customised orders)

Work in progress (customised orders) are measured at the selling price of the work performed, less any payments received on account of the customer and expected losses. The orders are characterized by the fact that the orders contain high levels of individualization of the design. Moreover, it is a requirement that before the execution of the order is initiated, a binding order has been entered, which will result in penalty or replacement by later removal.

The selling price is measured by reference to the stage of completion at the balance sheet date and total expected income from the contract. The stage of completion is determined on the basis of an estimate of the work, usually calculated as the ratio between the costs incurred and total estimated costs of the order or hours worked and the total estimated hours worked for that order.

When it is probable that total costs for an order will exceed total revenue, the expected loss on the order is immediately recognised as an expense and a provision.

When the selling price of an individual order cannot be measured reliably, the selling price is measured at the lower of costs incurred and net realisable value.

Net assets are determined as the sum of orders where the selling price of the work performed exceeds progress billings. Net liabilities are determined as the sum of orders where progress billings exceed the selling price.

Prepayments from customers are recognised as liabilities.

Selling costs and costs incurred in securing contracts are recognised in the income statement when incurred.

Prepayments

Prepayments comprise costs incurred in relation to subsequent financial years.

Equity

Reserve for net revaluation according to the equity method

Net revaluation of investments in subsidiaries and associates is recognised at cost in the reserve for net revaluation according to the equity method.

The reserve may be eliminated in case of a loss, realisation of investments or changes in accounting estimates.

On acquisition of new companies, the purchase method is applied.

The reserve cannot be recognised at a negative amount.

DANSTOKER A/S

Dividends

Proposed dividends are recognised as a liability at the date of adoption by the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

According to the joint taxation rules, the enterprises' liability for their own corporation tax payments to the tax authorities is settled concurrently with payment of the joint taxation contribution to the administrative company.

Joint taxation contributions payable and receivable are recognised in the balance sheet under balances with group enterprises.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. Where alternative tax rules can be applied to determine the tax value, deferred tax is measured based on Management's planned use of the asset or the settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry-forwards, are recognised under assets at the expected value of their utilisation, either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured in accordance with the tax rules applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Other provisions

Provisions comprise anticipated costs related to warranties, losses on work in progress, guarantees etc. Provisions are recognised when – as the result of past events – the Company has a legal or constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation.

Warranties comprise obligations to compensate any defects within the warranty period of 1-5 years. Provisions are measured and recognised on the basis of past experience with warranty work.

If it is likely that total costs will exceed total income from contract work in progress, a provision is made for the total loss anticipated on the contract. The provision is recognised in production costs.

Liabilities other than provisions

Financial liabilities other than provisions are recognised at the proceeds received less the transaction costs paid at the date of borrowing. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when applying the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Financial liabilities also include the capitalized residual obligation on finance leases.

The remaining liabilities are measured at net realisable value.

Financial ratios

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2010".

The financial ratios stated in the survey of financial highlights have been calculated as follows:

Return on invested capital	Operating Profit x 100 Average Invested Capital
Equity ratio	Equity at the year end x 100 Total equity and liabilities at the year end
Return on equity	Profit from ordinary activities after tax x 100 Average Equity

2 Gross profit

In compliance with section 32 of the Danish Financial Statements Act, the Company has decided not to specify its revenue. DKK'000

3 Exceptional items

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8

			2014/15	2013/14
Regarding the bankrupto (former subsidiary)	ey in Omni	cal GmbH		
Write-down on investmer liquidation	nt in conne	ection with	33,456	-
Guarantee obligations and o liquidation	other costs re	elated to the	11,979	-
-			45,435	
Financial income				
Interest income from group	enterprises		174	558
Other interest income, includ gains, etc.	ding foreign	exchange	1,454	1,089
			1,628	1,647
Financial expenses				
Interest expenses to group en	nterprises		229	338
Other interest expenses, incl losses, etc.	uding foreigi	n exchange	2,274	1,435
			2,503	1,773
Tax on profit for the year				
Current tax for the year			4,552	2,112
Deferred tax adjustment for	the year		-4,951	3,658
Adjustments of deferred tax du	e to changes ii	n the tax rate	-251	-227
			-650	5,543
Intangible assets				
DKK'000				Licences, software
Cost at 1 April 2014				619
Additions				22
Disposals Cost at 31 March 2015				641
Impairment losses and amor	tisation at 1 A	April 2014		515
Amortisation		1		89
Amortisation assets disposed		1		-
Impairment losses and amor Carrying amount at 31 Ma		March 2015		<u>604</u> 37
Property, plant and equipr				
				T - 1
DKK'000	Plant and machinery	Fixtures and	Property, plant and	Total
		fittings,	equipment	
		tools and	under	
		equipment	construc- tion	
Cost at 1 April 2014	22,602	3,771	-	26,373
Additions	1,489	183	20	1,692
Disposals Cost at 31 March 2015	-61 24,030	<u>-147</u> 3,807	20	<u>-208</u> 27,857
Impairment losses and	16,519	2,340		18,859
depreciation at 1 April 2014	10,019	2,510		10,007
Depreciation	1,737	396	-	2,133
Depreciation, assets sold Impairment losses and	-61 18,195	-95		-156 20,836
depreciation at 31 March 2015		2,071		
Carrying amount 31 March 2015	5,835	1,166	20	7,021
Property, plant and		916		916
equipment include finance leases with a carrying				

leases with a carrying

amount totalling

9 Investments

DKK'000	Investments in subsidiaries
Cost at 1 April 2014	16,278
Additions	4,473
Disposals	-17,751
Cost at 31 March 2015	3,000
Value adjustments at 1 April 2014	25,537
Foreign currency translation adjustments	-69
Net loss for the year	-10,408
Equity adjustment in investments	-44
Disposals	-15,705
Value adjustments at 31 March 2015	-689
Carrying amount at 31 March 2015	2,311

Name	Regis- tered office	Voting rights and owner- ship	Share capital	Equity	Profit/ loss before tax 	Profit/ loss after tax
Group enterprises Omnical Kessel- und Apparatebau GmbH (bankruptcy)	Dietz- hölztal, Ger- many	0%	DKK 000	DKK 000	-8.271	DKK'000 -8,032
Boilerworks A/S	Tønder	100%	500	2,311	-3,231	-2,376

10 Work in progress (customer-specific orders)

DKK'000	2014/15	2013/14
Work in progress	84,209	137,241
Payments on account	-56,291	-87,538
Carrying amount at 31 March 2015	27,918	49,703
Recognised as follows:		
Work in progress (customer specific orders) (assets)	30,045	50,902
Prepayments received from customers (liabilities)	-2,127	-1,199
	27,918	49,703

11 Prepayments

Prepayments comprise prepaid insurance premium, prepaid rent and other prepaid costs.

12 Equity

The share capital consists of 1 share at a nominal amount of DKK'000 10,001.

DKK '000	Share capital	Revalu- ation reserve in subsi- diary	Net reva- luation accord- ing to the equity method	Re- tained earn- ings	Pro- posed divi- dends	Total
Equity at 1 April 2014	10,001	20,462	5,075	58,787	-	94,325
Retained profit for the year	-	-20,462	-4,963	-43,586	11,500	-57,511
Paid dividends during the year	-	-	-	-	-11,500	-11,500
Equity adjustment of subsidiary	-	-	-43	-	-	-43
Foreign exchange adjustment of subsidiary	-	-	-69	-	-	-69
Equity at 31 March 2015	10,001			15,201		25,202

13 Deferred tax

DKK'000	2014/15	2013/14
Deferred tax at 1 April 2014	11,100	7,669
Deferred tax adjustment	-5,202	3,431
Deferred tax at 31 March 2015	5,898	11,100

Deferred tax primarily relates to work in progress (advance on account).

14 Other provisions

Other provisions consists of customs warranties, DKK 840 thousand (2013/14: DKK 810 thousand) and provision for guarantee obligations and other costs DKK 8,200 thousand (2013/14: DKK 0 thousand).

15 Non-current liabilities other than provisions

	DKK'000	Total liabilities at 1/4 2014	Total liabilities at 31/3 2015	Repay- ment next year	Long- term portion	Out- standing debt after 5 years
16	Bank loans Employee relations	2,727	2,041	686	1,355	0

DKK'000	2014/15	2013/14
Wages and salaries	64,000	69,755
Pensions	4,588	4,884
Other social security costs	898	952
	69,486	75,591
Remuneration of the Executive Board	2,658	2,911
Remuneration of the Board of Directors	60	60
Average number of full-time employees	144	152

17 Charges, security provided and contingencies, etc.

Lease obligations (operating leases) falling due within 3 years total DKK 1,064 thousand, hereof DKK 482 thousand falling due 2015/16.

The Company has entered into lease contract that is non-terminable until 30 September 2019. Tenancy commitments in lease buildings amount to DKK 18,765 thousand, of this DKK 4,170 thousand concerns 2015/16.

Mortgage registered to the mortgagor at a nominal amount of DKK 7,500 thousand secured on plant and machinery, fixture and fittings, other plant and equipment and goodwill with a carrying amount of DKK 7,021 thousand has been provided as collateral for loan raised with credit institution.

The Company has undertaken guarantees whereby it has assumed primary liability for the affiliated companies' outstanding balances with mortgage credit institutions and banks, DKK 19,498 thousand (2013/14: DKK 20,531 thousand).

Performance bonds and advance payment guarantees issued by guarantee insurers amount to DKK 32,599 thousand (2013/14: DKK 19,783 thousand). Guarantees have been undertaken whereby primary liability is assumed towards credit institutions for all performance bonds and advance payment guarantees and outstanding balances between other enterprises, group enterprises and credit institutions. At 31 March 2015, the guarantee commitment etc. amounted to DKK 6,458 thousand (2013/14: DKK 40,886 thousand).

The Company is jointly taxed with the Danish parent company and Danish subsidiaries. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties.

18 Related party disclosures

Danstoker A/S' related parties comprise the following:

Parties exercising control

Thermax Denmark ApS holds the majority of the share capital in the Company. Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent's consolidated financial statements
Thermax Denmark ApS	Denmark	www.erhvervsstyrelsen.dk
Thermax Ltd.	India	www.thermaxglobal.com
0 11		

Ownership

The following shareholders are registered in the Company's register of shareholders as holding at least 5 % of the voting rights or at least 5% of the share capital:

Thermax Denmark ApS Industrivej Nord 13 7400 Herning

Ejendomsanpartsselskabet Industrivej Nord 13

Executive Board

Hemant Mohgaonkar Amitabha Mukhopadhyay

Registered Office

Industivej Nord 13 DK-7400 Herning Denmark

Auditors

Ernst & Young Godkendt Revisionspartnerselskab Havnegade 33 DK - 6701 Esbjerg

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Ejendomsanpartsselskabet Industrivej Nord 13 for the financial year 1 April 2014 – 31 March 2015.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 March 2015 and of the results of its operations for the financial year 1 April 2014 – 31 March 2015.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting. Herning, 5 May 2015

Executive Board:

Hemant Prabhakar Mohgaonkar

Amitabha Mukhopadhyay

Independent Auditor's Report

To the shareholders of Ejendomsanpartsselskabet Industrivej Nord 13 Independent auditors' report on the financial statements

We have audited the financial statements of Ejendomsanpartsselskabet Industrivej Nord 13 for the financial year 1 April 2014 – 31 March 2015. The financial statements comprise accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to 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 auditors' judgement, 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 auditors consider internal control relevant to the Company's preparation of financial statements that give a true and fair view 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 March 2015 and of the results of its operations for the financial year 1 April 2014 – 31 March 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Esbjerg, 5 May 2015

ERNST & YOUNG

Godkendt Revisionspartnerselskab

John LesboBirgitte Nygaard JørgensenState AuthorisedState AuthorisedPublic AccountantPublic Accountant

Management's review

Company details

Ejendomsanpartsselskabet Industrivej Nord 13 Industrivej Nord 13 DK-7400 Herning

CVR no.	13 96 64 43
Established:	9 January 1990
Registered office:	Herning
Financial year:	1 April – 31 March

Executive Board

Hemant Prabhakar Mohgaonkar Amitabha Mukhopadhyay

Auditors

Ernst & Young Godkendt Revisionspartnerselskab Havnegade 33 DK-6701 Esbjerg

Opreating review

Principal activity

The Company's principal activity is to own and lease out property, which is also carried out in the subsidiary Boilerworks Properties ApS.

The Company is a fully-owned subsidiary of Thermax Denmark ApS. The ultimate parent company of the Group is RDA Holdings Pvt. Ltd., Pune, India, which holds the majority through the listed company Thermax Ltd., Pune, India.

Development in activities and financial matters

Management considers the profit for the year, DKK 3,030 thousand as satisfactory.

Future outlook

Satisfactory results are expected for the financial year 2015/16.

Events after the balance sheet date

No events have occurred after the balance sheet date which may materially affect the Company's financial position.

Ejendomsanpartsselskabet Industrivej Nord 13

Income statement

		2014/15		2013	/14
	Note	DKK'000	Rs Lacs	DKK'000	Rs Lacs
Gross profit		4,107	368.68	4,068	449.50
Impairment losses and depreciation	5	(886)	(79.54)	(907)	(100.22)
Operating profit		3,221	289.15	3,161	349.28
Profit on investments in subsidiary	6	1,446	129.81	1,334	147.40
Financial income	2	138	12.39	97	10.72
Financial expenses	3	(1,273)	(114.28)	(1,379)	(152.37)
Profit before tax		3,532	317.07	3,213	355.02
Tax on profit for the year	4	(502)	(45.06)	(416)	(45.97)
Profit for the year		3,030	272.00	2,797	309.06
Proposed profit appropriation					
Proposed dividends		6,000	538.62	-	-
Reserve for net revaluation under the equity method		(554)	(49.73)	1,334	147.40
Retained earnings		(2,416)	(216.88)	1,463	161.66
	-	3,030	272.00	2,797	309.06

Balance sheet

DKK'000Rs LasDKK'000Rs LasASSETSNon-current assetsProperty, plant and equipment5Land and buildings28,9622,999129,7423,28,638Investments in absidiary6339.332,334257.90Total non-current assets32,7222,392432.0763,28,62Current assets32,96330,6642,3392,5454Cash at bank and in hand332,034257.902,036Total anoretrent assets3,9663,0662,3392,5454Cash at bank and in hand332,0662,332,5454Total ansets3,929352.712,3622,609Total assets3,929352.712,3622,609Total assets3,929352.712,3622,609Total assets3,929352.712,3622,609Total assets3,929352.712,3622,609Total assets3,929352.712,3622,619Serve for net revaluation of land and buildings3,18228.653,1823,182Reserve for revaluation under the equity method78070.021,1334147.40Reserve for net revaluation under the equity method78070.021,334147.40Dividens proposed for the year600053.862Dividens proposed for the year2,26620.81.242,1862,114.55Dividens proposed for the year2,26620.82.422,1862,14.		Note	2014/15		2013/14	
Current asets S Land and puildings 28,962 2,599,91 29,742 3,286.3 Investments in subsidiary 3 339,33 2,334 257.90 Investments in subsidiary 3,780 339,33 2,334 257.90 Total non-current assets 32,724 2,939,24 32,2076 3,544.28 Current assets 32,206 32,542 2,2076 3,544.28 Current assets 3,906 350,64 2,339 2,545.28 Cash at bank and in hand 2,32 2,06 2,32 2,64 Total current assets 3,292 352,71 2,362 2,609 Total and by by group enterprises 3,3906 350,64 2,339 3,305.271 Equity 7 2,362 2,609 3,4438 3,305.271 Equity 7 2,362 2,609 3,4438 3,305.271 Equity 7 2,362 2,619 3,4438 3,305.271 Serve for revaluation of land and buildings 3,182 286.65			DKK'000	Rs Lacs	DKK'000	Rs Lacs
Property, plant and equipment 5 Land and buildings 28,962 2,599.91 29,742 3,286.38 Investments 3780 339.33 2,334 257.90 Investments in subsidiary 3780 339.33 2,334 257.90 Total non-current assets 32.742 2,939.24 32,076 3,544.28 Current assets 32.2742 2,939.24 32,076 3,544.28 Carrent assets 32.06 2,33 2,554 Cash at bank and in hand 23 2.06 23 2,544 Total current assets 3,2929 352.71 2,362 260.99 Total assets 3,291.95 344.438 3,805.27 EQUITY AND LIABILITIES 200 17.95 200 22.10 Reserve for revaluation of land and buildings 3,182 285.65 3,182 351.60 Reserve for ret revaluation under the equity method 780 70.02 1,334 147.40 Retained carnings 2,469 221.64 5,369 593.25	ASSETS					
Land and buildings 28,962 2,99.91 29,742 3,286.38 Investments in subsidiary 3,780 339,33 2,334 257.90 Total non-current assets 3,780 339,33 2,334 257.90 Total non-current assets 3,780 339,33 2,334 257.90 Current assets 3,780 339,33 2,334 257.90 Current assets 3,780 339,33 2,334 257.90 Current assets 3,742 2,939,24 3,544.28 Amounts owed by group enterprises 3,906 350.64 2,339 258.45 Cash at bank and in hand 23 2.06 2,3 2.54 Total assets 3,929 352.71 2,362 260.99 Total assets 3,929 352.71 2,362 260.99 Total assets 3,929 352.71 2,362 260.99 Start assets 3,182 285.65 3,182 38.05.27 Equity 7 7 70.02 1,334	Non-current assets					
Investments 6 Investments in subsidiary 3,780 339.33 2,334 257.90 Outal non-current assets 32,742 2,939.24 32,076 3,544.28 Current assets 32,742 2,939.24 32,076 3,544.28 Current assets 32,06 23.3 2,54 25.90 Amounts owed by group enterprises 3,906 350.64 2,339 258.45 Cash at bank and in hand 22 2.06 23 2.54 Total current assets 3,906 350.64 2,339 258.45 Cash at bank and in hand 23 2.06 23 2.54 Total current assets 3,906 350.64 2,339 258.45 EQUITY AND LIABILITIES 23 2.06 23 2.210 Reserve for revaluation of land and buildings 3,182 285.65 3,182 351.60 Reserve for revaluation under the equity method 780 70.02 1,334 147.40 Reserve for the valuation under the equity method 780 70.02 <td>Property, plant and equipment</td> <td>5</td> <td></td> <td></td> <td></td> <td></td>	Property, plant and equipment	5				
Investments in subsidiary 3,780 339,33 2,334 257.90 Total non-current assets 32,742 2,939,24 32,076 3,544.28 Current assets 32,742 2,939,24 32,076 3,544.28 Current assets 3,906 350,64 2,339 258,45 Cash at bank and in hand 23 2.06 23 2.54 Total current assets 3,929 352.71 2,362 260.99 Total assets 3,020 1,795 2,00 22.10 Reserve for revaluation of land and buildings 3,182 285.65 3,182 351.60 Reserve for net revaluation under the equity method 780 70.02 1,334 147.40 Retained earnings 2,469 221.64 5,369 593.25 Dividens proposed for the year<	Land and buildings		28,962	2,599.91	29,742	3,286.38
Jack Jack <th< td=""><td>Investments</td><td>6</td><td></td><td></td><td></td><td></td></th<>	Investments	6				
Total non-current assets 32,742 2,939,24 32,076 3,544,28 Current assets Receivables 3 3,906 350,64 2,339 258,45 Cash at bank and in hand 23 2.06 23 2.54 Total current assets 3,929 352,71 2,362 260,929 Equity 7 5 200 22,10 Reserve for recapital 3,182 285,65 3,182 31,60 Reserve for recapital on under the equity method 780 70,02 1,334 147,40 Retained earnings 2,469 21,64 5,369 593,25 Dividens prop	Investments in subsidiary		3,780	339.33	2,334	257.90
Current assets Current assets Receivables 3,906 350.64 2,339 258.45 Cash at bank and in hand 23 2.06 23 2.54 Total current assets 3,929 352.71 2.362 260.99 Total assets 3,291.95 34.438 3,805.27 EQUITY AND LIABILITIES 36.671 3,291.95 34.438 3,805.27 Equity 7 Share capital 200 17.95 200 22.10 Reserve for revaluation of land and buildings 3,182 285.65 3,182 351.60 Reserve for net revaluation under the equity method 780 70.02 1,334 147.40 Retained earnings 2,469 221.64 5,369 593.25 Dividens proposed for the year 6,000 538.62 - - Total equity 12,631 1,133.88 10,085 1,114.36 Provisions 2,266 203.42 2,186 241.54 Liabilities 2,266 203.42 2,186 241.54 Liabilities 12,356 1,378.50 16,48			3,780	339.33	2,334	257.90
Receivables Amounts owed by group enterprises 3,906 350.64 2,339 258.45 Cash at bank and in hand 23 2.06 23 2.54 Total current assets 3,929 352.71 2,362 260.99 Total assets 3,291.95 34,438 3,805.27 EQUITY AND LIABILITIES Equity 7 Share capital 200 17.95 200 22.10 Reserve for revaluation of land and buildings 3,182 285.65 3,182 351.60 Reserve for net revaluation under the equity method 780 70.02 1,334 147.40 Retained earnings 2,469 221.64 5,369 593.25 Dividens proposed for the year 6,000 538.62 - - Total equity 12,631 1,133.88 10,085 1,114.36 Provisions 2,266 203.42 2,186 241.54 Liabilities 2,266 203.42 2,186 241.54 Non-current liabilities other than provisions 8 15,356 1,378.50	Total non-current assets		32,742	2,939.24	32,076	3,544.28
Amounts owed by group enterprises 3,906 350.64 2,339 258.45 Cash at bank and in hand 23 2.06 23 2.54 Total current assets 3,929 352.71 2,362 260.99 Total assets 3,929 352.71 2,362 260.99 EQUITY AND LIABILITIES 34,438 3,805.27 Equity 7 5 200 17.95 200 22.10 Reserve for revaluation of land and buildings 3,182 285.65 3,182 351.60 Reserve for net revaluation under the equity method 780 70.02 1,334 147.40 Retained earnings 2,469 221.64 5,369 593.25 Dividens proposed for the year 6,000 538.62 - - Total equity 12,631 1,133.88 10,085 1,114.36 Provisions 2 2,266 203.42 2,186 241.54 Total equity 2,266 203.42 2,186 241.54 Total equity 2,266 203.42 2,186 241.54 Total equity <t< td=""><td>Current assets</td><td></td><td></td><td></td><td></td><td></td></t<>	Current assets					
Cash at bank and in hand23 2.06 23 2.54 Total current assets $3,929$ 352.71 2.362 260.99 Total assets 3.6671 $3.291.95$ 34.438 $3.805.27$ EQUITY AND LIABILITIESEquity7Share capital 200 17.95 200 22.10 Reserve for revaluation of land and buildings $3,182$ 285.65 $3,182$ 351.60 Reserve for net revaluation under the equity method 780 70.02 $1,334$ 147.40 Retained earnings $2,469$ 221.64 $5,369$ 593.25 Dividens proposed for the year $6,000$ 538.62 $ -$ Total equity 7 7 7 7 Deferred tax $2,266$ 203.42 $2,186$ 241.54 Total provisions $2,266$ 203.42 $2,186$ 241.54 Liabilities 8 8 $15,356$ $1,378.50$ $16,487$ $1,821.75$	Receivables					
Total current assets 3,929 352,71 2,362 260.99 Total assets 3,671 3,291.95 34,438 3,805.27 EQUITY AND LIABILITIES 7 7 5 200 17.95 200 22.10 Reserve for revaluation of land and buildings 3,182 285.65 3,182 351.60 Reserve for net revaluation under the equity method 780 70.02 1,334 147.40 Retained earnings 2,469 221.64 5,369 593.25 Dividens proposed for the year 6,000 538.62 - - Total equity 12,631 1,133.88 10,085 1,114.36 Provisions 2 200 23.42 2,186 241.54 Liabilities 2 266 203.42 2,186 241.54 Liabilities 2 266 203.42 2,186 241.54 Mortgage credit institutions 8 4 4 4 4 4 4 4 4 4 4 4 4 4 5 4 5 5 5 <td>Amounts owed by group enterprises</td> <td></td> <td>3,906</td> <td>350.64</td> <td>2,339</td> <td>258.45</td>	Amounts owed by group enterprises		3,906	350.64	2,339	258.45
Total assets 36,671 3,291.95 34,438 3,805.27 EQUITY AND LIABILITIES 7 5 7 5 7 5 200 17.95 200 22.10 Reserve for revaluation of land and buildings 3,182 285.65 3,182 351.60 Reserve for net revaluation under the equity method 780 70.02 1,334 147.40 Retained earnings 2,469 221.64 5,369 593.25 Dividens proposed for the year 6,000 538.62 - - Total equity 12,631 1,133.88 10,085 1,114.36 Provisions 2 20 241.54 241.54 Liabilities 2,266 203.42 2,186 241.54 Liabilities other than provisions 8 8 1 14,487 1,821.75	Cash at bank and in hand		23	2.06	23	2.54
EQUITY AND LIABILITIES Equity 7 Share capital 7 Reserve for revaluation of land and buildings 3,182 285.65 3,182 351.60 Reserve for net revaluation under the equity method 780 70.02 1,334 147.40 Retained earnings 2,469 221.64 5,369 593.25 Dividens proposed for the year 6,000 538.62 - - Total equity 12,631 1,133.88 10,085 1,114.36 Provisions 2,266 203.42 2,186 241.54 Liabilities 2,266 203.42 2,186 241.54 Liabilities 8 8 15,355 1,378.50 16,487 1,821.75	Total current assets		3,929	352.71	2,362	260.99
Equity 7 Share capital 200 17.95 200 22.10 Reserve for revaluation of land and buildings 3,182 285.65 3,182 351.60 Reserve for net revaluation under the equity method 780 70.02 1,334 147.40 Retained earnings 2,469 221.64 5,369 593.25 Dividens proposed for the year 6,000 538.62 - - Total equity 1,133.88 10,085 1,114.36 Provisions 2,266 203.42 2,186 241.54 Total provisions 2,266 203.42 2,186 241.54 Liabilities 2,266 203.42 2,186 241.54 Liabilities other than provisions 8 1 1,821.75 Mortgage credit institutions 15,356 1,378.50 16,487 1,821.75	Total assets		36,671	3,291.95	34,438	3,805.27
Equity 7 Share capital 200 17.95 200 22.10 Reserve for revaluation of land and buildings 3,182 285.65 3,182 351.60 Reserve for net revaluation under the equity method 780 70.02 1,334 147.40 Retained earnings 2,469 221.64 5,369 593.25 Dividens proposed for the year 6,000 538.62 - - Total equity 1,133.88 10,085 1,114.36 Provisions 2,266 203.42 2,186 241.54 Total provisions 2,266 203.42 2,186 241.54 Liabilities 2,266 203.42 2,186 241.54 Liabilities other than provisions 8 1 1,821.75 Mortgage credit institutions 15,356 1,378.50 16,487 1,821.75						
Share capital 200 17.95 200 22.10 Reserve for revaluation of land and buildings 3,182 285.65 3,182 351.60 Reserve for net revaluation under the equity method 780 70.02 1,334 147.40 Retained earnings 2,469 221.64 5,369 593.25 Dividens proposed for the year 6,000 538.62 - - Total equity 12,631 1,133.88 10,085 1,114.36 Provisions 2,266 203.42 2,186 241.54 Total provisions 2,266 203.42 2,186 241.54 Liabilities 2,266 203.42 2,186 241.54 More_uernet liabilities other than provisions 8 1 1,5356 1,378.50 16,487 1,821.75	-					
Reserve for revaluation of land and buildings 3,182 285.65 3,182 351.60 Reserve for net revaluation under the equity method 780 70.02 1,334 147.40 Retained earnings 2,469 221.64 5,369 593.25 Dividens proposed for the year 6,000 538.62 - - Total equity 12,631 1,133.88 10,085 1,114.36 Provisions 2,266 203.42 2,186 241.54 Total provisions 2,266 203.42 2,186 241.54 Liabilities 2,266 203.42 2,186 241.54 Morecurrent liabilities other than provisions 8 8 15,356 1,378.50 16,487 1,821.75		7				
Reserve for net revaluation under the equity method 780 70.02 1,334 147.40 Retained earnings 2,469 221.64 5,369 593.25 Dividens proposed for the year 6,000 538.62 - - Total equity 12,631 1,133.88 10,085 1,114.36 Provisions 2 203.42 2,186 241.54 Total provisions 2,266 203.42 2,186 241.54 Liabilities 2,266 203.42 2,186 241.54 Morecurrent liabilities other than provisions 8 8 1 1,378.50 16,487 1,821.75	-					
Retained earnings 2,469 221.64 5,369 593.25 Dividens proposed for the year 6,000 538.62 - - Total equity 12,631 1,133.88 10,085 1,114.36 Provisions 2 203.42 2,186 241.54 Total provisions 2,266 203.42 2,186 241.54 Liabilities 2,266 203.42 2,186 241.54 Morecurrent liabilities other than provisions 8 8 15,356 1,378.50 16,487 1,821.75	C C					
Dividens proposed for the year 6,000 538.62 - - Total equity 12,631 1,133.88 10,085 1,114.36 Provisions 2,266 203.42 2,186 241.54 Total provisions 2,266 203.42 2,186 241.54 Liabilities 2,266 203.42 2,186 241.54 Mortgage credit institutions 8 1 1,378.50 16,487 1,821.75						
Total equity 12,631 1,133.88 10,085 1,114.36 Provisions 2,266 203.42 2,186 241.54 Deferred tax 2,266 203.42 2,186 241.54 Total provisions 2,266 203.42 2,186 241.54 Liabilities 8 10,085 1,114.36 1,114.36 Mortgage credit institutions 8 15,356 1,378.50 16,487 1,821.75	-				5,369	593.25
Provisions 2,266 203.42 2,186 241.54 Total provisions 2,266 203.42 2,186 241.54 Liabilities 2,266 203.42 2,186 241.54 Non-current liabilities other than provisions 8 5 5 Mortgage credit institutions 15,356 1,378.50 16,487 1,821.75						-
Deferred tax 2,266 203.42 2,186 241.54 Total provisions 2,266 203.42 2,186 241.54 Liabilities 8 15,356 1,378.50 16,487 1,821.75			12,631	1,133.88	10,085	1,114.36
Total provisions 2,266 203.42 2,186 241.54 Liabilities 8 15,356 1,378.50 16,487 1,821.75						
LiabilitiesNon-current liabilities other than provisions8Mortgage credit institutions15,3561,378.5016,4871,821.75						
Non-current liabilities other than provisions 8 Mortgage credit institutions 15,356 1,378.50 16,487 1,821.75	•		2,266	203.42	2,186	241.54
Mortgage credit institutions 15,356 1,378.50 16,487 1,821.75						
		8				
15,356 1,378.50 16,487 1,821.75	Mortgage credit institutions					
			15,356	1,378.50	16,487	1,821.75

Balance sheet

	Note	ote 2014/15		2013/	14
		DKK'000	Rs Lacs	DKK'000	Rs Lacs
Current liabilities other than provisions					
Current portion of non-current liabilities other than provisions	8	1,142	102.52	1,374	151.82
Amounts owed to group enterprises		1,018	91.39	753	83.20
Other payables		3,216	288.70	2,520	278.45
Deferred income		1,042	93.54	1,033	114.14
		6,418	576.14	5,680	627.62
Total liabilities		21,774	1,954.65	22,167	2,449.37
Total equity and liabilities		36,671	3,291.95	34,438	3,805.27

Notes:

Accounting policies - 1 Charges, collateral and contingencies, etc. - 9 Related party - ownership - 10

Statement of Changes in Equity for the period 1st April 2014 to 31st March 2015

	1/4/2	2014	Revaluation after tax on interest rate swap		erest rate appropriation		31/3/2015	
	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs
Share capital	200	17.95	-	-	-	-	200	17.95
Reserve for revaluation of land and buildings	3,182	285.65	-	-	-	-	3,182	285.65
Reserve for net revaluation under the equity method	1,334	119.75	-	-	(554)	(49.73)	780	70.02
Retained earnings	7,095	636.92	-	-	(2,416)	(216.88)	4,679	420.03
Market statement, interest rate swap (retained earnings)	(1,726)	(154.94)	(484)	(43.45)	-	-	(2,210)	(198.39)
Dividends proposed for the year	-	-	-	-	6,000	538.62	6,000	538.62
	10,085	905.33	(484)	(43.45)	3,030	272.00	12,631	1,133.88

Exchange rate : as at 31st Mar 15 is 1 DKK = Rs 8.9770

Exchange rate : as at 31st Mar 14 is 1 DKK = Rs 11.0496

Financial statements for the period 1 April 2014 – 31 March 2015

Notes to the financial statements

1 Accounting policies

The annual report of Ejendomsanpartsselskabet Industrivej Nord 13 for 2014/15 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

Consolidated financial statements have not been prepared as the same is not required as per section 110 and 112 (1) of the Danish Financial Statements Act. The annual report of Ejendomsanpartsselskabet Industrivej Nord and related subsidiary forms part of the consolidated financial statements of the Danish Parent Company, Thermax Denmark ApS.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic resources is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Certain financial assets and liabilities are measured at amortised cost implying the recognition of a constant effective interest rate to maturity. Amortised cost is calculated as initial cost minus any principal repayments and plus or minus the cumulative amortisation of any difference between cost and nominal amount.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment and provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future assets and liabilities are recognised in other receivables or other payables and in equity. If the hedged forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the hedged forecast transaction results in income or expenses, amounts previously deferred in equity are transferred to the income statement in the period in which the hedged item affects the profit/loss for the year.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement on a regular basis.

Income statement

Revenue

Revenue comprises rental income, etc., which is recognised in the income statement in the period, which the rent concerns.

Other external expenses

Other external expenses comprise administrative expenses.

Gross profit

Revenue and other external costs are summed up in gross profit in compliance with Section 32 in the Danish Financial Statements Act.

Profit/loss from investments in subsidiaries

The Company's proportional share of the results after tax of the subsidiaries is recognised in the income statement after full elimination of intra-group gains/ losses.

Financial income and expenses

Financial income and expenses comprise interest income and expense as well as surcharges and refunds under the tax prepayment scheme.

Tax on profit/loss for the year

The Company is covered by the Danish rules on compulsory joint taxation of the Thermax Denmark ApS Group's subsidiaries. Subsidiaries form part of the joint taxation from the date on which they are included in the consolidation and up to the date on which they exit the consolidation.

The Danish parent company Thermax Denmark ApS is the administrative company for the joint taxation and consequently settles all corporation tax payments with the authorities.

The current corporation tax is allocated among the jointly taxed companies in proportion to their taxable income. In this relation, companies with tax loss carry-forwards receive joint taxation contribution from companies that have used these losses to reduce their own taxable profits. The jointly taxed companies are taxed under the tax prepayment scheme.

Tax for the year comprises joint taxation contribution and changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to income and expenses recognised in equity is recognised directly in equity.

Provision has been made for deferred tax on revaluation of investment properties to the extent that the sale hereof at carrying amount will give rise to tax liabilities. The amount has been deducted from the fair value reserve of investment assets.

Balance sheet

Property, plant and equipment

Land and buildings are measured at cost less accumulated depreciation and impairment losses and revalued at fair value if any significant changes in the value of land and buildings are recognised. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

The basis of depreciation is cost less expected residual value at the end of the useful life plus any revaluation.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Buildings up to 50 years

In connection with significant changes in the value of land and buildings, revaluation to fair value is made based on a yearly assessment on each property. The revaluation is recognised directly in equity. The revaluation is depreciated over the rest useful lives of the assets.

Gains or losses on the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. The gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Investments in subsidiaries

Investments in subsidiaries are measured according to the equity method.

Investments in subsidiaries are measured at the proportionate share of the equity value of the enterprises calculated in accordance with the Group's accounting policies minus or plus unrealised intra-group gains and losses and plus or minus the residual value of positive or negative goodwill determined in accordance with the purchase method.

Investments in subsidiaries with negative book values are measured at DKK 0 (nil), and any receivables from these companies are written down if the receivables

are irrecoverable. If the parent company has any legal or constructive obligation to cover a deficit exceeding the receivables, the remaining amount is recognised under provisions.

Net revaluation of investments in subsidiaries is recognised in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds cost. Dividends from subsidiaries that are expected to be decided on prior to the adoption of the annual report of Ejendomsanpartsselskabet Industrivej Nord ApS are not recognised in the net revaluation reserve.

On acquisition of new companies, the purchase method is applied.

Impairment of non-current assets

The carrying amount of property, plant and equipment as well as investments in subsidiaries is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the expected net cash flows from the use of the asset or the group of assets and expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost. Write-down to net realisable value is made for expected losses.

Reserve for net revaluation according to the equity method

Net revaluation of investments in subsidiaries is recognised at cost in the reserve for net revaluation according to the equity method.

The reserve may be eliminated in case of losses, realisation of investments or a change in accounting estimates.

The reserve cannot be recognised at a negative amount.

Dividends

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

According to the joint taxation rules, the subsidiaries' liabilities towards the tax authorities regarding their corporation taxes are settled as payment of joint taxation contributions to the administrative company.

Joint taxation contribution payable and receivable is recognised in the balance sheet under Balances with group companies.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively,

Deferred tax assets, including the tax value of tax loss carry-forwards, are recognised under assets at the expected value of their utilisation; either as a setoff against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Deferred tax is measured according to the tax rules applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

Deferred income

Deferred income comprises payments received concerning income in subsequent years.

DKK'000

2 **Financial expenses**

		2014/15	2013/14
	Interest income, group enterprises	138	95
	Other interest income		2
	Total financial income	138	97
3	Financial expenses		
	Other interest expenses	1,273	1,379
	Total financial expenses	1,273	1,379
4	Tax on profit for the year		
	Joint taxation contribution for the year	422	175
	Adjustment of deferred tax	80	295
	Adjustments of deferred tax due to changes in the tax rate	-	(54)
		502	416
5	Property, plant and equipment		
			Land and
			buildings
	Cost at 1 April 2014		41,005
	Additions		106
	Disposals		
	Cost at 31 March 2015		41,111
	Revaluations at 1 April 2014/ 31 March 2015 Impairment losses and depreciation at 1 April 2014		4,080 (15,343)
	Impairment losses and depreciation at 1 April 2014 Impairment losses and depreciation for the year		(13,343)
	Impairment losses and depreciation, disposals		-
	Impairment losses and depreciation at 31 March 2015		(16,229)
	Carrying amount at 31 March 2015		28,962
6	Investments		
			2014/15
	Cost at 1 April 2014		1,000
	Additions		
	Cost at 31 March 2015		1,000
	Value adjustments at 1 April 2014		1,334
	Net profit for the year		1,446
	Value adjustments at 31 March 2015		2,780
	Carrying amount at 31 March 2015		3,780
Pro	posed dividends in group enterprises amounts to DKK 2,	000 thousand	at year-end.

Name	Rights and ownership	Share capital	Equity	Profit after tax	Carrying amount
Group enterprises					
Boilerworks Properties ApS, Herning, Denmark	100 %	80	2,334	1,446	3,780

Ejendomsanpartsselskabet Industrivej Nord 13

7 Equity

8

			1/4 2014	Revaluation after tax on interest rate swap	Proposed profit appropriation	31/3 2015
	Share capital		200	-	-	200
	Reserve for revaluation of land and buildings		3,182	-	-	3,182
	Reserve for net revaluation under the equity m	ethod	1,334	-	(554)	780
	Retained earnings		7,095	-	(2,416)	4,679
	Market statement, interest rate swap (retained of	earnings)	(1,726)	(484)	-	(2,210)
	Dividends proposed for the year		-	-	6,000	6,000
			10,085	(484)	3,030	12,631
3	Non-current liabilities other than provisions					
		Total debt 1/4 2014	Total debt 31/3 2015	Repayment, next year	Long-term portion	Outstanding debt after 5 years
	Mortgage credit institutions	17,861	16,498	1,142	15,356	11,691

9 Charges, collateral and contingencies, etc.

Land and buildings with a carrying amount of DKK 28,962 thousand at 31 March 2015 have been provided as collateral for bank loans of DKK 16,498.

The Company has provided guarantees and provided collateral in land and buildings, nom. DKK 26,000 thousand for all balances between bank and group-related company to their bank. At 31 March 2015 balances amounted to DKK 1125 thousand. (2013/14: DKK 1,625 thousand).

The Company has provided guarantees for balances between bank and group related companies to their bank. At 31 March 2015 balances amounted to DKK 0 thousand, and guarantees issued by credit institutions amounted to DKK 149 thousand (2013/14: DKK 6,494 thousand).

The Company has a recourse guarantee commitment for performance and advance guarantees in group-related companies, DKK 35,568 thousand. (2013/14 DKK 41,612 thousand)

The Company has entered an interest rate swap contract concerning loan amounting to DKK 13,348 thousand, with a net position as of 31 March 2015 of DKK -2,941 thousand. (2013/14: DKK -2,301 thousand).

The company is jointly taxed with the Danish parent company and Danish

subsidiaries. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties.

10 Related party - ownership

The following shareholders are registered in the Company's register of shareholders as holding at least 5 % of the voting rights or at least 5 % of the share capital:

Thermax Denmark ApS

Industrivej Nord 13

DK - 7400 Herning.

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent's consolidated financial statements
Thermax Denmark ApS	Denmark	www.erhvervsstyrelsen.dk
Thermax Ltd.	India	www.thermaxglobal.com

Rifox-Hans Richter GmbH Spezialarmaturen, Bremen

Board of Directors

Mundt Holger - Managing Director Jan Enemark Abhay Shah Rabindranath Pillai

Registered Office

Bertha-von-suttner-str. 9 28207 Breman, Germany HRB3148

Auditors

JFS Treuhand & Rivision Jendroschek Feindler Scholz Stefen Rauber Parkallee 5 28209 Bremen, Germany PR 121

Auditor's Report

To Rifox-Hans Richter GmbH Spezialarmaturen

We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system of Rifox-Hans Richter GmbH Spezialarmaturen, Bremen, for the financial year from April 01, 2014 to March 31, 2015. The maintenance of the books and records and the preparation of the annual financial statements in accordance with German commercial law are the responsibility of the Company's Managing Directors. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system based on our audit.

We conducted our audit of the annual financial statements in accordance with Section 317 HGB [Handelsgesetzbuch - German Commercial Code] and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprufer [in Deutschland] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with (German] principles of proper accounting. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the

determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records and the annual financial statements are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by the Company's Managing Directors, as well as evaluating the overall presentation of the annual financial statements. We believe that our audit provides a reasonable basis for our opinion. Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the annual financial statements comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with [German] principles of proper accounting.

Bremen, April 17, 2015

Rauber (Wirtschaftsprufer) (German Public Auditor)

Rifox-Hans Richter GmbH Spezialarmaturen, Bremen

Balance Sheet as at 31 March 2015

ASSETS

			2014-	15	2013-14		
			EUR	Rs Lacs	EUR	Rs Lacs	
A.	Fix	ed assets					
	I.	Intangible assets					
		Concessions, industrial property and similar rights and assets and licences in such rights and assets	1.50	0.00	1.50	0.00	
	II.	Tangible assets					
		 Land, similar rights and buildings, including buildings on third-party land 	11,592.50	7.77	12,953.50	10.69	
		2. Other equipment, factory and office equipment	110,374.94	74.01	109,954.46	90.71	
		3. Advance payments	2,840.00	1.90			
			124,807.44	83.69	122,907.96	101.39	
B.	Cu	rrent assets					
	I.	Stocks					
		1. Contracts in progress	-	-	102,000.00	84.15	
		2. Finished and unfinished goods	1,137,622.14	762.86	1,145,902.18	945.32	
		3. Advance payments received for projects	(15,171.30)	(10.17)	(106,602.07)	(87.94)	
			1,122,450.84	752.68	1,141,300.11	941.53	
	II.	Debtors and other assets					
		1. Trade debtors	493,388.66	330.85	347,179.82	286.41	
		2. Other assets	697.75	0.47	1,118.21	0.92	
			494,086.41	331.32	348,298.03	287.33	
	III.	Cash-in-hand, postal giro balances and bank balances	5,451.80	3.66	101,387.74	83.64	
C.	Pre	paid expenses	20,814.60	13.96	5,421.00	4.47	
		* · · F · · · ·	1,767,612.59	1,185.31	1,719,316.34	1,418.37	
					,,,		

Exchange rate : as at 31st Mar 15 is 1 Euro = Rs 67.0571

Exchange rate : as at 31st Mar 14 is 1 Euro = Rs 82.4961

EQUITY AND LIABILITIES

ьv	UII I	I HIGD EINDIETTIES				
			2014-	15	201	3-14
			EUR	Rs Lacs	EUR	Rs Lacs
A.	Eq	uity				
	I.	Subscribed capital	716,469.00	480.44	716,469.00	591.06
	II.	Unappropriated profits brought forward	(179,633.05)	(120.46)	209,226.89	172.60
	III.	Net income / loss for				
		the year	59,367.44	39.81	(388,859.94)	(320.79)
			596,203.39	399.80	536,835.95	442.87
B.	Pro	ovisions				
	Oth	er provisions	146,096.61	97.97	129,237.35	106.62
C.	Cre	editors				
		1. Liabilities to banks	611,344.90	409.95	28,000.00	23.10
		2. Trade creditors	273,433.54	183.36	348,601.95	287.58
		3. Other creditors	140,534.15	94.24	676,641.09	558.20
			1,025,312.59	687.55	1,053,243.04	868.88
		- of which taxes : EUR 50,400.15 (2014 : Euro 31,600.46)				
			1,767,612.59	1,185.31	1,719,316.34	1,418.37

Income Statement for the financial year from April 1,2014 to March 31,2015

		2014-1	5	2013-14		
		EUR	Rs Lacs	EUR	Rs Lacs	
1.	Turnover	3,691,058.97	2,475.12	2,740,906.55	2,261.14	
2.	Inventory changes- finished and unfinished goods	(110,280.04)	(73.95)	(37,422.59)	(30.87)	
3.	Other operating income	94,386.50	63.29	32,098.71	26.48	
		3,675,165.43	2,464.46	2,735,582.67	2,256.75	
4.	Cost of materials					
	 Cost of raw materials, consumables and goods for resale 	974,281.84	653.33	725,865.02	598.81	
	b) Cost for purchased services	213,461.55	143.14	84,529.61	69.73	
	·) ·····	1,187,743.39	796.47	810,394.63	668.54	
5.	Staff costs	, - ,		,		
	a) Wages and salaries	1,545,177.80	1,036.15	1,484,366.25	1,224.54	
	b) Social security, pension and other benefits	291,226.05	195.29	265,836.04	219.30	
		1,836,403.85	1,231.44	1,750,202.29	1,443.85	
6.	Amortisation and depreciation of fixed intangible and tangible assets	34,877.51	23.39	36,047.87	29.74	
7.	Other operating charges	527,999.93	354.06	501,255.98	413.52	
8.	Other interest receivable and similar income	-	-	-	-	
9.	Interest payable and other similar charges	28,773.32	19.29	26,305.24	21.70	
10.	Profit on ordinary activities	59,367.43	39.81	(388,623.34)	(320.60)	
11.	Taxes on profit	(0.01)	(0.00)	236.60	0.20	
12.	Profit for the year	59,367.44	39.81	(388,859.94)	(320.79)	

Notes to the Financial Statements for the financial year 01.04.2014-31.03.2015

1. General statements

The annual accounts of the Rifox-Hans Richter GmbH Spezialarmaturen were produced on the basis of the accounting regulations in the German Commercial Code (HGB).

Additionally to these regulations the German Limited Liability Companies Act had to be applied.

The total expenditure format was applied to the profit and loss account.

According to the size classes in § 267 (1) HGB the company is a small limited company.

The easing of restrictions for small limited companies according to § 274a and § 288 HGB were partly applied.

2. Statements on accounting and valuation including tax-based measures

The accounting and valuation methods of the previous year were maintained without change.

Fixed assets were listed at purchase prices reduced by planned depreciation.

The planned depreciation was made using the straight-line method. The expected life-spans of the assets were estimated using the depreciation-index in line with the tax rules.

Mobile assets with a value of less than Euro 410,00 were written off immediately.

Stocks were listed at acquisition or production costs. If necessary the lower value on the key balance sheet date was used.

Trade receivables and other assets were valued considering all recognizable risks.

Cash balance and bank accounts were listed at cash value.

To cover the general credit risk and the costs of discounts, general provisions for doubtful debts were formed.

Other provisions account for all recognizable risks and uncertain liabilities. All recognizable risks were accounted for.

3. Affiliation notes

The development of the fixed assets is attached as appendix.

Specifications concerning trade receivables and other assets with a remaining term of more than one year can be gathered from the balance sheet.

Other provisions account for all recognizable risks and uncertain liabilities. The value was estimated according to reasonable commercial evaluation.

Specifications concerning liabilities with a remaining term of up to one year can be gathered from the balance sheet.

4. Miscellaneous statements

During the business year 01.04.2014-31.03.2015 the appointed managing directors were:

Mr. Holger Mundt, Bremen/Germany

Mr. Jan Enemark Jensen, Herning/Denmark

Mr. Abhay Ramanlal Shah, Mukund Nagar, Pune/India

Mr. Rabindranath Pillai, Kerala/India

5. Proposal for the use of the annual result

The annual accounts were produced before appropriation of net income.

The management proposes the general assembly to submit for new account the annual profit for the year 2014/2015 of 59.367,44 \in and the accumulated deficit carried forward of - 179.633,05 \in .

Bremen, April 10, 2015

Rifox-Hans Richter GmbH Spezialarmaturen, Bremen

Fixed Asset Movement Schedule to March 31, 2015

		Book value April 1, 2014	Additions	Reclassifi-cations	Disposals	Depreciation	Write-up	Book value March 31, 2015
		EUR	EUR	EUR	EUR	EUR	EUR	EUR
I.	Intangible assets							
	Concessions, industrial property and similar rights and assets and licences in such rights and assets	1,50	0,00	0,00	0,00	0,00	0,00	1,50
		1,50	0,00	0,00	0,00	0,00	0,00	1,50
II.	Tangible assets							
	 Land, similar rights and buildings including buildings on third party land 	12.953,50	0,00	0,00	0,00	1,361,00	0,00	11.592,50
	2. Other equipment, factory and office equipment	109.954,46	33.936,99	0,00	0,00	33.516,51	0,00	110.374,94
	3. Advance payments	0,00	2.840,00	0,00	0,00	0,00	0,00	2.840,00
		122.907,96	36.776,99	0,00	0,00	34.877,51	0,00	124,807,44
		122.909,46	36.776,99	0,00	0,00	34.877,51	0,00	124.808,94

THERMAX SDN. BHD.

Board of Directors

Unnikrishnan Damodaran Kaustubh Pathak

Registered Office

Suite 50-4-3A 4thFloor, Wisma UOA Damansara 50, Jalan Dungun 50490 Kuala Lumpur

Auditors

Morison Anuarul Azizan Chew Chartered Accountnts 18 Jalan 1/64, Off Jalan Kolam Air, Jalan Ipon, 51200 Kuala Lumpur

Bankers

City Bank, Malaysia

DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Company for the financial year ended 31 March 2015.

Principal Activities

The principal activities of the Company are that of turnkey solutions provider and to undertake the sales, services and procurement of industrial equipment.

There have been no significant changes in the nature of these activities during the financial year.

Results

Net profit for the financial year

In the opinion of the Directors, the results of the operations of the Company for the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

RM 28.527

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the Company for the current financial year.

Dividend

No dividend has been paid or declared by the Company since the end of the previous financial year. The Board of Directors does not recommend any dividend to be paid for the financial year under review.

Reserves and Provisions

There were no material transfers to or from reserves or provisions made during the financial year under review.

Issue of Shares and Debentures

There were no issues of shares or debentures during the financial year under review.

Options Granted Over Unissued Shares

No options were granted to any person to take up unissued shares of the Company during the financial year under review.

Directors

The Directors who served since the date of last report are as follows:

Unnikrishnan Damodaran

Kaustubh Arun Pathak

Directors' Interests

None of the Directors holding office at the end of the financial year had any interest in the ordinary shares of the Company during the financial year under review.

Directors' Benefits

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit by reason of a contract made by the Company with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year, was the Company a party to any arrangement the object of which is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Other Statutory Information

- (a) Before the income statement and balance sheet of the Company were made out, the Directors took reasonable steps:
 - to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
 - the amount written off for bad debts or the allowance for doubtful debts inadequate to any substantial extent;
 - (ii) the values attributed to the current assets in the financial statements misleading;
 - (iii) any amount stated in the financial statements misleading; and
 - (iv) adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.
- (c) No contingent or other liabilities of the Company have become enforceable, or are likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Company to meet its obligations as and when they fall due.
- (d) At the date of this report, there does not exist:
 - any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
 - (ii) any contingent liability in respect of the Company which has arisen since the end of the financial year.

Immediate Holding Company

The immediate holding company is Thermax Limited, a company incorporated in India.

Ultimate Holding Company

The ultimate holding company is RDA Holdings $\ensuremath{\mathsf{Private}}$ Limited, a company incorporated in India.

Staff Information

The total number of staff of the Company (excluding Directors) at the end of the financial year was 2 (2014: 2).

Auditor

The auditors, Morison Anuarul Azizan Chew, have expressed their willingness to accept re-appointment.

Signed in accordance with a resolution of the Directors.

Unnikrishnan Damodaran

Kaustubh Arun Pathak

Kuala Lumpur Date:11 May 2015

THERMAX SDN. BHD.

STATEMENT BY DIRECTORS

Pursuant to Section 169(15) of the Companies Act, 1965

We, UNNIKRISHNAN DAMODARAN and KAUSTUBH ARUN PATHAK, being the Directors of THERMAX SDN. BHD., do hereby state that, in the opinion of the Directors, the financial statements set out on pages 9 to 20 are drawn up in accordance with the Private Entities Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of financial position of the Company as at 31 March 2015 and of its financial performance and cash flows for the financial year then ended.

Signed in accordance with a resolution of the Directors.

STATUTORY DECLARATION

Pursuant to Section 169(16) of the Companies Act, 1965

I, Unnikrishnan Damodaran, being the Director primarily responsible for the financial management of Thermax SDN. BHD., do solemnly and sincerely declare that the financial statements set out on pages 9 to 20 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above named Unnikrishnan Damodaran at Kuala Lumpur on this date of 11 May 2015

Unnikrishnan Damodaran	Kaustubh Arun Pathak	Unnikrishnan Damodaran
Kuala Lumpur Date : 11 May 2015	Before me,	Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF THERMAX SDN. BHD. (Company No.: 944923-K) (Incorporated in Malaysia)

Report on the Financial Statements

We have audited the accompanying financial statements of Thermax Sdn. Bhd., which comprise the balance sheet as at 31 March 2015, and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 9 to 20.

Directors' Responsibility for the Financial Statements

The Company's Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with Private Entity Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are responsible for such internal controls as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considers internal controls relevant to Company's preparation of the financial statements that give a true and fair view 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 Company's internal controls. An audit also involves evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

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, the financial statements give a true and fair view of the financial position of the Company as of 31 March 2015 and of their financial performance and cash flows for the year then ended in accordance with Private Entity Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report in our opinion that the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the requirements of the Act.

Other Matters

This report is solely made to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume any responsibility to any other person for the content of this report.

Morison Anuarul Azizan Chew Firm Number: AF 001977 Chartered Accountants Kuala Lumpur Date: 11 May 2015 Sathiea Seelean A/L Manickam Approved Number: 1729/05/16 (J/PH) Chartered Accountants

Balance Sheet as at 31 March 2015

	Notes	201	2015		4
		RM	Rs Lacs	RM	Rs Lacs
ASSETS					
Non-Current assets					
Property, Plant and Equipment	3	319	0.05	-	-
Current assets					
Other receivables	4	31,603	5.34	25,941	4.76
Amount owing by immediate Holding Company	5	298,157	50.33	192,830	35.40
Tax Recoverable		-	-	862	0.16
Cash & Bank Balances		244,556	41.28	328,292	60.28
		574,316	96.95	547,925	100.60
Current Liabilities					
Other Payables	6	14,250	2.41	19,765	3.63
Amount owing to Director	7	1,385	0.23	-	-
Tax Payable		2,313	0.39	-	
		17,948	3.03	19,765	3.63
Net Current assets		556,368	93.92	528,160	96.97
Total assets		556,687	93.98	528,160	96.97
Financed By:					
Share Capital	8	500,002	84.41	500,002	91.80
Retained Profits		56,685	9.57	28,158	5.17
Shareholder's Funds		556,687	93.98	528,160	96.97

Approved by the Board of Directors on 11 May 2015 and signed on its behalf by:

Unnikrishnan Damodaran	Kaustubh Arun Pathak
Director	Director

Statement of Changes in Equity for the financial year ended 31 March 2015

	Share Capital		Retained	Retained Profits		tal
	RM	Rs Lacs	RM	Rs Lacs	RM	Rs Lacs
At 1st April 2013	500,002	84.41	58	0.01	500,060	84.42
Net Profit for the financial year	-	-	28,100	4.74	28,100	4.74
At 31st March 2014	500,002	84.41	28,158	4.75	528,160	89.16
At 1st April 2014	500,002	84.41	28,158	4.75	528,160	89.16
Net Profit for the financial year			28,527	4.82	28,527	4.82
At 31st March 2015	500,002	84.41	56,685	9.57	556,687	93.98

Income Statement for the financial year ended 31 March 2015

	Notes	2015		2014	
		RM	Rs Lacs	RM	Rs Lacs
Other Operating income		956,830	161.53	1,119,989	205.63
Administrative Expenses		910,001	153.62	1,078,197	197.96
Profit Before Taxation	9	46,829	7.91	41,792	7.67
Taxation	10	18,302	3.09	13,692	2.51
Net Profit for the year		28,527	4.82	28,100	5.16

The accompanying notes form an integral part of the financial statements

Exchange Rate : as at 31 March 2015 is 1 RM = Rs 16.88

Exchange Rate : as at 31 March 2014 is 1 RM = Rs 18.36

Cash Flow Statement for the financial year ended 31 March 2015 2015 2014

	-01		201	
	RM	Rs Lacs	RM	Rs Lacs
Cash flows from operating activities				
Profit before taxation	46,829	7.91	41,792	7.67
Adjustments for:-				
Depreciation of property, plant and equipment	26	0.00	-	-
Operating profit before working capital changes	46,855	7.91	41,792	7.67
(Increase)/ Decrease in working capital				
Other receivables	(5,662)	(0.96)	(11,915)	(2.19)
Amount owing by immediate holding company	(105,327)	(17.78)	74,033	13.59
Other Payables	(5,515)	(0.93)	2,724	0.50
Amount Owing to Director	1,385	0.23	(2,560)	(0.47)
Cash used in operating activities	(68,264)	(11.52)	104,074	19.11
Tax Paid	(15,127)	(2.55)	(15,123)	(2.78)
Net Cash used in operating activities	(83,391)	(14.08)	88,951	16.33
Cash flows from investing activities				
Purchase of property, plant and equipment	(345)	(0.06)	-	-
Net cash outflow from financing activities	(345)	(0.06)	-	-
Net (decrease)/Increase in cash and cash equivalents	(83,736)	(14.14)	88,951	16.33
Cash and cash equivalents at beginning of financial year	328,292	55.42	239,341	43.94
Cash and cash equivalents at end of financial year	244,556	41.28	328,292	60.28
Cash and cash equivalents at end of the financial year comprises:				
Cash & Bank Balances	244,556	41.28	328,292	60.28
The accompanying notes form an inte	gral part of t	he financial s	statements	

The accompanying notes form an integral part of the financial statements.

THERMAX SDN. BHD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

1. Corporate Information

The principal activities of the Company are that of turnkey solutions provider and to undertake the sales, services and procurement of industrial equipment.

The Company is a private limited liability company, incorporated under the Companies Act, 1965 and domiciled in Malaysia.

The Company qualifies as a private entity under the Private Entity Reporting Standards approved by the Malaysian Accounting Standards Board.

2. Significant Accounting Policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and comply with the Private Entity Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The policy of recognition and measurement of impairment losses is in accordance with Note 2(f) to the financial statements.

Property, plant and equipment are depreciated on a straight line method at rates calculated to write off the cost of the assets to their residual value over their estimated useful lives at the following annual rates:

Office equipment

Gain or losses on disposals are determined by comparing proceeds with carrying amount and are included in profit/(loss) from operations.

10%

(c) Other receivables

Other receivables are carried at anticipated realisable value. Bad debts are written off when identified. Doubtful debts are provided based on specific review of the receivables.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdrafts and short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

(e) Other payables

Other payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

(f) Impairment of assets

The carrying values of assets are reviewed for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount is the higher of an asset's net selling price and its value in use, which is measured by reference to discounted future cash flows.

An impairment loss is charged to the income statement immediately, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of previously recognised revaluation surplus for the same asset.

Subsequent increase in the recoverable amount of an asset is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the income statement, a reversal of that impairment loss is recognised as income in the income statement.

(g) Current and deferred income tax

Income tax on the profit or loss for the financial year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year and is measured using the tax rates that have been enacted at the reporting date.

Deferred tax is recognised on the liability method for all temporary differences between the carrying amount of an assets or liabilities in the statement of financial position and its tax base at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax asset and liability is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantially enacted by the reporting date. The carrying amount of a deferred tax asset is reviewed at each reporting date and is reduced to the extent that it becomes probable that sufficient future taxable profit will be available.

Deferred tax is recognised in the profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity.

(h) Financial instruments

Financial instruments carried on the balance sheet represent payables. Financial instruments are recognised in the balance sheet when the Company has become a party to the contractual provisions of the instrument.

Office equipment

3. Property, Plant and Equipment

	RM
Cost	
At 1.4.2014	-
Addition	345
At 31.3.2015	345
Accumulated depreciation	
At 1.4.2014	-
Charge for the financial year	26
At 31.3.2015	26
Carrying amount	
At 31.3.2015	319
At 31.3.2014	-
Depreciation charge for the financial year ended 31.3.2014	

4. Other Receivables

	2015 RM	2014 RM
Other receivables	12,703	7,041
Deposit	12,600	12,600
Prepayments	6,300	6,300
	31,603	25,941

5. Amount Owing By Immediate Holding Company

(a) The immediate holding company is Thermax Limited, a company incorporated in India.

(b) This represents account receivables towards normal business transactions.

6. Other Payables

	2015 RM	2014 RM
Other payable	4,700	4,700
Accruals	9,550	15,065
	14,250	19,765

7. Amount Owing to a Director

This represents account payable towards reimbursement of expenses.

8. Share Capital

	Number of ordinary shares of RM1 each		Amount	
	2015	2014	2015 RM	2014 RM
Authorised				
At 1 April/31 March	1,000,000	1,000,000	1,000,000	1,000,000
Issued and fully paid				
At 1 April/31 March	500,002	500,002	500,002	500,002

9. Net Profit Before Taxation

11.

Net profit for the financial year is derived after charging:

	2015 RM	2014 RM
Auditors' remuneration	5,000	5,000
Directors' remuneration	132,307	106,041
Depreciation of property, plant and equipment	26	-
Rental:		
- Office	75,600	75,600
- Others	1,064	1,430
10. Taxation		
	2015 RM	2014 RM
Tax expense for the financial year		
- Current tax provision	13,951	10,485
- Under provision in prior years	4,351	3,207
	18,302	13,692

Income tax is calculated at the statutory rate of 25% on the chargeable income of the estimated assessable profit for the financial year.

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follows:

	2015 RM	2014 RM
Profit before taxation	46,829	41,792
Taxation on statutory tax rate of 25% (2014: 25%)	11,707	10,448
Expenses not deductible for tax purposes	2,244	37
Under provision of taxation in prior years	4,351	3,207
Tax expense for the financial year	18,302	13,692
Staff Information		

	2015	2014
	RM	RM
Staff costs (excluding Directors)	428,200	500,148

Included in staff costs of the Company (excluding Directors) is contributions made to the Employees Provident Fund under a defined contribution plan amounting to RM3,528 (2014: RM3,276).

12. Ultimate Holding Company

The ultimate holding company is RDA Holdings Private Limited, a company incorporated in India.

13. Related Party Transactions

The Company had the following transactions with related party during the financial year:

	2015 RM	2014 RM
Administration fee charged to immediate holding company:-	956,830	1,119,989

14. Financial Instruments

(a) Financial risk management objectives and policies

The Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Company's operations whilst managing its financial risks, including credit risk, liquidity and cash flow risk.

(b) Credit risk

The Company's exposure to credit risk arises mainly from receivables. Receivables are monitored on an ongoing basis via management reporting procedure and action is taken to recover debts when due.

At balance sheet date, there were no significant concentrations of credit risk. The maximum exposure to credit risk for the Company is the carrying amount of the financial assets shown in the balance sheet.

(c) Liquidity and cash flow risk

The Company maintains a certain level of cash and cash convertible investments to meet its working capital requirements.

(d) Fair values

The carrying amounts of cash and cash equivalents, receivables, and payables approximate their respective fair values due to the relatively short term nature of these financial instruments.

15. Date of Authorisation for Issue

The financial statements of the Company for the financial year 31 March 2015 were authorised for issue in accordance with a resolution of the Board of Directors on 11 May 2015.

BOILERWORKS A/S

Board of Directors

Hemant Prabhakar Mohgaonkar (Chairman) Amitabha Mukhopadhyay (Vice Chairman) Jan Enemark

Registered Office

Papegøjevej DK-6270 Tønder

Auditors

Ernst & Young Godkendt Revisionspartnerselskab Havnegade 33 DK 6700 Esbjerg

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Boilerworks A/S for the financial year 1 April 2014 - 31 March 2015

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 March 2015 and of the results of the Company's operations and cash flows for the financial year 1 April 2014 – 31 March 2015.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Tønder, 5 May 2015

Executive Board:

Jan Enemark

Board of Directors:

Hemant Prabhakar Mohgaonkar Chairman Amitabha Mukhopadhyay Vice Chairman

Jan Enemark

Independent Auditor's Report

To the shareholders of Boilerworks A/S

Independent auditors' report on the financial statements

We have audited the financial statements of Boilerworks A/S for the financial year 1 April 2014 – 31 March 2015, which comprise income statement, balance sheet, and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to 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 auditors' judgement, 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 auditors consider internal control relevant to the Company's preparation of financial statements that give a true and fair view 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 March 2015 and of the results of its operations for the financial year 1 April 2014 – 31 March 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Esbjerg, 5 May 2015

ERNST & YOUNG

Godkendt Revisionspartnerselskab

John Lesbo	Birgitte Nygaard Jørgensen
State Authorised	State Authorised
Public Accountant	Public Accountant

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Management's review

Company details

Boilerworks A/S Papegøjevej 7 DK-6270 Tønder

CVR no.:	35 22 67 88
Established:	12 April 2013
Registered office:	Tønder
Financial year:	1 April – 31 March

 Telephone:
 +45 73 64 48 50

 Fax:
 +45 75 64 48 51

Board of Directors

Hemant Prabhakar Mohgaonkar (Chairman) Amitabha Mukhopadhyay (Vice Chairman) Jan Enemark

Executive Board

Jan Enemark

Auditors

Ernst & Young Godkendt Revisionspartnerselskab Havnegade 33 DK-6701 Esbjerg

Operating review

Principal activities of the Company

Boilerworks A/S, which has its registered address in the Danish municipality of Toender, is a fully-owned subsidiary of Danstoker A/S. The ultimate parent company of the Group is RDA Holdings Pvt Ltd, a company incorporated in India.

Boilerworks A/S designs, produces and supplies high-pressure boilers and components to power stations, waste-fuelled and biomass-fuelled plants as well as petrochemical plants. Moreover, the Company manufactures a wide variety of heat exchangers and flue-gas coolers.

The maintenance of boiler systems is one of Boilerworks' specialties. This includes everything from simple repairs to extensive maintenance planning, modernisation and optimisations of the system, installation of new components and control systems.

The Company has succeeded in re-establishing its previous position as one of the leading manufacturers of components for high pressures and temperatures for the most advanced pressurized systems.

Development in activities and financial position

Boilerworks is highly active within the area of service, and the Company has been able to re-establish its position as one of the leading operators in Scandinavia within this segment.

The introduction of the Lean ideas and Lean processes will be initiated during the next financial year.

The overall results achieved by Boilerworks this year are lower than provided for in the budget. The results achieved are not satisfactory.

The profit for the year before tax is DKK -3,231 thousand and after tax DKK -2,376 thousand.

Future outlook

Boilerworks' total volume of orders at the end of the financial year is satisfactory.

Boilerworks will focus on the Lean concept, the optimiszation process in general and the order fulfilment process in particular.

The aim is to generate a profitable, strong and independent enterprise at Boilerworks. The Management will work to maintain an attractive work place with competent employees, based on competitive products sold to professional co-operation partners and customers in selected markets where such products are delivered in the quality and at the time and prices agreed.

Moreover, Boilerworks aims at achieving optimal utilization of the production facilities.

The Management of Boilerworks is of the opinion that the Company is not facing special risks in the long term, neither in its markets nor otherwise.

The growing, necessary global political focus on CO2 will in the long term contribute to making our CO2-neutral products within biofuels even more relevant and will contribute to securing Boilerworks' continued positive development.

Satisfactory results are expected for the financial year 2015/16.

Events after the balance sheet date

The Management is of the opinion that from the balance sheet date until today, no events have occurred which could alter the assessment of the annual report substantially.

BOILERWORKS A/S

Balance Sheet as at 31 March 2015

	Note	2014/15		2013/14	
		DKK'000	Rs Lacs	DKK'000	Rs Lacs
ASSETS					
Non-current assets					
Intangible assets	5				
Goodwill		1,910	171.46	2,015	222.65
Patents and licences		448	40.22	613	67.73
Development in progress		-	-	206	22.76
Development completed		146	13.11	-	-
		2,504	224.78	2,834	313.15
Property, plant and equipment	6				
Plant and machinery		5,103	458.09	6,314	697.67
Fixtures and fittings, tools and equipment		160	14.36	260	28.73
. 1 . r		5,263	472.46	6,574	726.40
Total non-current assets		7,767	697.24	9,408	1,039.55
Current assets					,
Inventories					
Raw materials and consumables		2,465	221.28	1,491	164.75
		2,465	221.28	1,491	164.75
Receivables		,		, i i i i i i i i i i i i i i i i i i i	
Trade receivables		3,920	351.90	4,576	505.63
Work in progress (customer-	7	1,703	152.88	11,018	1,217.45
specific orders)					
Amounts owed by group		1,906	171.10	1,594	176.13
enterprises			1.53		
Other receivables		17	1.53	158	17.46
Prepayments		142	12.75	87	9.61
		7,688	690.15	17,433	1,926.28
Cash at bank and in hand		5,359	481.08	69	7.62
Total current assets		15,512	1,392.51	18,993	2,098.66
Total assets		23,279	2,089.75	28,401	3,138.21
EQUITY AND LIABILITIES	0				
Equity	8	500	44.00	500	66.06
Share capital			44.88	500	55.25
Contributed premium		2,500	224.42	2,500	276.24
Retained earnings		(689)	(61.85)	1,731	191.27
Total equity		2,311	207.46	4,731	522.76
Provisions	0	1.535	125.00	2 1 2 4	224 (0
Deferred tax	9	1,537	137.98	2,124	234.69
Other provisions		493	44.26	370	40.88
Total provisions		2,030	182.23	2,494	275.58
Liabilities Current liabilities					
				260	40.77
Bank loans		-	-	369	40.77
Trade payables		1,906	171.10	3,908	431.82
Amounts owed to group enterprises		8,413	755.23	11,245	1,242.53
Prepayments received from		2,856	256.38	-	-
customers					
Other payables		5,763	517.34	5,654	624.75
		18,938	1,700.06	21,176	2,339.87
Total equity and liabilities		23,279	2,089.75	28,401	3,138.21

Income Statement For the period 1 April 2014 – 31 March 2015

	Note	2014/15		201	3/14
		DKK'000	Rs Lacs	DKK'000	Rs Lacs
Gross profit	2	7,893	708.55	11,542	1,275.35
Sales and distribution costs		(1,288)	(115.62)	(1,102)	(121.77)
Administrative expenses		(9,476)	(850.66)	(7,762)	(857.67)
Operating (Loss)/ Profit		(2,871)	(257.73)	2,678	295.91
Financial income		26	2.33	3	0.33
Financial expenses	3	(386)	(34.65)	(420)	(46.41)
(Loss)/ Profit before tax		(3,231)	(290.05)	2,261	249.83
Tax on profit/ (Loss) for the year	4	855	76.75	(530)	(58.56)
(Loss) / Profit for the year		(2,376)	(213.29)	1,731	191.27
Proposed distribution of Profit/ (Loss)					
Proposed dividends		-	-	-	-
Retained earnings		(2,376)	(213.29) (213.29)	1,731	191.27 191.27

Notes:

Accounting policies - 1

Employee relations - 10

Charges, Collateral and Contingencies etc - 11

Related party- ownership - 12

Statement of Changes in Equity for the year ended on 31 March 2015

	Capital		Contributed Premium		Retained earnings		Total	
	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs
Equity at 1 April 2014	500	44.88	2,500	224.42	1,731	155.39	4,731	424.70
Tramsferred, cf. profit appropriation	-	-	-	-	(2,376)	(213.29)	(2,376)	(213.29)
Change in value of hedging instruments	-	-	-	-	(58)	(5.21)	(58)	(5.21)
Tax on changes in equity	-	-	-	-	14	1.26	14	1.26
Equity at 31 March 2015	500	44.88	2,500	224.42	(689)	(61.85)	2,311	207.46

The contributed capital consists of 1 share at a nominal value of DKK 500,000

Exchange rate : as at 31st Mar 15 is 1 DKK = Rs 8.9770

Exchange rate : as at 31st Mar 14 is 1 DKK = Rs 11.0496

Notes to the financial statements

1 Accounting policies

The annual report of Boilerworks A/S for the period 1 April 2014 – 31 March 2015 has been prepared in accordance with the provisions applying to reporting class C medium-sized enterprises under the Danish Financial Statements Act.

Cash flow statements have not been prepared as the same are not required as per section 86(4) of the Danish Financial Statements Act. The annual report of Boilerworks A/S is part of the consolidated financial statements of the Danish parent company, Thermax Denmark ApS.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

General comments on recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of such assets can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and the value of such liabilities can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned. Moreover, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment losses and provisions as well as reversals as a result of changes in accounting estimates of amounts that were previously recognised in the income statement.

Foreign currency translation

Transactions denominated in foreign currencies are translated into Danish kroner at the exchange rates at the transaction date. Exchange rate differences arising between the exchange rates at the transaction date and the exchange rate at the date of payment are recognised as a financial item in the income statement.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the exchange rates at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised as financial income or financial expenses in the income statement.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequent¬ly measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future assets and liabilities are recognised in other receivables or other payables and in equity. If the forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects profit or loss.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement on a regular basis.

Income statement

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement provided that delivery and transfer of risk to the buyer have taken place by the end of the year and that the income can be reliably measured and is expected to be received. Revenue is recognised ex. VAT and taxes charged on behalf of third parties.

Work in progress concerning customised production is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the selling price of work performed during the year (the percentage of completion method).

Sales and distribution costs

Sales and distribution costs comprise costs incurred for the distribution of goods sold during the year and for sales campaigns, etc., carried out during the year. Also, costs relating to sales staff, advertising, exhibition and depreciation are recognised as sales and distribution costs.

Administrative expenses

Administrative expenses comprise expenses incurred during the year for management and administration of the Company, including expenses for administrative staff, office premises and office expenses as well as depreciation.

Financial income and expenses

Financial income and expenses comprise interest income and expense, capital gains and capital loss on securities, payables and transactions denominated in foreign currencies and amortisation of financial assets and liabilities.

Tax on profit or loss from ordinary activities

The Company is covered by the Danish rules on compulsory joint taxation of the Thermax Denmark ApS. Subsidiaries form part of the joint taxation from the date on which they are included in the consolidation and up to the date on which they exit the consolidation.

The Danish parent company, Thermax Denmark ApS, is the administrative company for the joint taxation and therefore settles all payments of corporation tax with the tax authorities.

The current Danish corporation tax is allocated between the jointly taxed enterprises in proportion to their taxable income. In this relation, enterprises with tax loss carry-forwards receive joint taxation contribution from enterprises which have used these losses to reduce their own taxable profits. The jointly taxed enterprises are taxed under the tax prepayment scheme.

Tax for the year which comprises joint taxation contributions, tax for the year and any changes in deferred tax is recognised in the income statement. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Intangible assets

Goodwill is amortised over its estimated useful life determined on the basis of Management's experience of the specific business areas. Goodwill is amortised on a straight-line basis over a maximum amortisation period of 20 years, as it relates to strategically acquired enterprises with strong market positions and long-term earnings profiles.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining patent period, and licences are amortised over the licence period.

Development costs comprise costs, salaries and amortisation directly or indirectly attributable to the Company's development activities.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 3 years.

Gains and losses on the disposal of development projects, patents and licences are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Property, plant and equipment

Plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

BOILERWORKS A/S

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, subsuppliers, and wages and salaries.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Plant and machinery	3-10 years
Fixtures and fittings, tools and equipment	3-5 years

Depreciation is recognised in the income statement as production costs (gross profit), sales/ distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Leases

Leases for non-current assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are initially recognised in the balance sheet at cost, corresponding to the lower of fair value and the net present value of future lease payments. In calculating the net present value of the future lease payments, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the Company's other non-current assets.

The capitalised residual lease obligation is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

All other leases are treated as operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed in contingencies, etc.

Impairment of assets

The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the expected net cash flows from the use of the asset or the group of assets and expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

The net realisable value of inventories is calculated as the selling price less costs of completion and costs necessary to make the sale and is determined in consideration of marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost. Write-down to net realisable value is made for expected losses.

Work in progress (customised orders)

Work in progress (customised orders) are measured at the selling price of the work performed, less any payments received on account of the customer and expected losses. The orders are characterized by the fact that the orders contain high levels of individualization of the design. Moreover, it is a requirement that before the start of the order a binding order has been entered, which will result in penalty or replacement by later removal.

The selling price is measured by reference to the stage of completion at the balance sheet date and total expected income from the contract. The stage of completion is determined on the basis of an estimate of the work, usually calculated as the ratio between the costs incurred and total estimated costs of the order or hours worked and the total estimated hours worked for that order.

When it is probable that total costs for an order will exceed total revenue, the expected loss on the order immediately is recognised as an expense and a provision.

When the selling price of an individual order cannot be measured reliably, the selling price is measured at the lower of costs incurred and net realisable value.

Net assets are determined as the sum of orders where the selling price of the work performed exceeds progress billings. Net liabilities are determined as the sum of orders where progress billings exceed the selling price.

Prepayments from customers are recognized as liabilities.

Selling costs and costs incurred in securing contracts are recognised in the income statement when incurred.

Prepayments

Prepayments comprise costs incurred in relation to subsequent financial years.

Equity - Dividends

Proposed dividends are recognised as a liability at the date of adoption by the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

According to the joint taxation rules, the enterprises' liability for their own corporation tax payments to the tax authorities is settled concurrently with payment of the joint taxation contribution to the administrative company.

Joint taxation contributions payable and receivable are recognised in the balance sheet under balances with group enterprises.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. Where alternative tax rules can be applied to determine the tax value, deferred tax is measured based on Management's planned use of the asset or the settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry-forwards, are recognised under assets at the expected value of their utilisation, either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Adjustment is made to deferred tax resulting from elimination of unrealised intragroup profits and losses.

Deferred tax is measured in accordance with the tax rules applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Other provisions

Provisions comprise anticipated costs related to warranties. Provisions are recognised when – as the result of past events – the Company has a legal or constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation.

Warranties comprise obligations to make good any defects within the warranty period of 1-5 years. Provisions are measured and recognised on the basis of past experience with warranty work.

If it is likely that total costs will exceed total income from contract work in progress, a provision is made for the total loss anticipated on the contract. The provision is recognised in production costs.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Financial liabilities also include the capitalised residual obligation on finance leases.

Other liabilities are measured at net realisable value.

Financial statements 1 April 2014 – 31 March 2015

Notes to the financial statements

2 Gross profit

4

7

In compliance with section 32 of the Danish Financial Statements Act, the Company has decided not to specify its revenue. DKK'000

3 **Financial expenses**

	2014/15	2013/14
Interest expense to group enterprises	210	263
Other interest expenses, including foreign exchange losses, etc.	176	157
	386	420
Tax on profit for the year		
	2014/15	2013/14
Specified as follows:		
Current tax for the year	(268)	(1,594)
Deferred tax adjustment for the year	(522)	2,124
Adjustment of deferred tax due to changes in the tax rate	(65)	-
	(855)	530

Intangible assets 5

	Development completed	Patents and licences	Goodwill	Development in progress	Total
Cost at 1 April 2014	-	832	2,115	206	3,153
Additions during the year	-	123	1	4	128
Transferred	210	-	-	(210)	-
Cost at 31 March 2015	210	955	2,116		3,281
Impairment losses and depreciation at 1 April 2014		219	100		319
Depreciation	64	288	106	-	458
Impairment losses and depreciation at 31 March 2015	64	507	206		777
Carrying amount at 31 March 2015	146	448	1,910		2,504

Property, plant and equipment 6

	Plant and machinery	Fixtures and fittings, tools and equip- ment	Total
Cost at 1 April 2014	7,587	376	7,963
Additions during the year	202	16	218
Disposals during the year	(58)	-	(58)
Cost at 31 March 2015	7,731	392	8,123
Impairment losses and depreciation at 1 April 2014	1,273	116	1,389
Depreciation	1,398	116	1,514
Depreciation, disposals	(43)	-	(43)
Impairment losses and depreciation at 31 March 2015	2,628	232	2,860
Carrying amount at 31 March 2015	5,103	160	5,263

	2014/15	2013/14
Work in progress	32,763	32,783
Payments on account	(33,916)	(21,765)
	(1,153)	11,018

Recognised as follows:

Work in progress (customer-specific orders) (assets)	1,703	11,018
Prepayments received from customers (liabilities)	(2,856)	-
	(1,153)	11,018

Fauity 8

Equity				
	Share capital	Con- tributed premium	Retained earnings	Total
Equity at 1 April 2014	500	2,500	1,731	4,731
Transferred, cf. profit appropriation	-	-	(2,376)	(2,376)
Change in value of hedging instruments	-	-	(58)	(58)
Tax on changes in equity	-	-	14	14
Equity at 31 March 2015	500	2,500	(689)	2,311
The contributed capital consis	ts of 1 shar	e at a nomina	l value of DKI	K 500,000.

9 Deferred tax

10	Deferred tax at 1 April 2014 / 12 April 2013 Deferred tax adjustment Deferred tax at 31 March Employee relations	2014/15 2,124 (587) 1,537	2013/14 2,124 2,124
		2014/15	2013/14
	Wages and salaries	30,590	30,074
	Pensions	2,046	1,600
	Other social security costs	152	157
		32,788	31,831
	Remuneration of the Executive Board and the Board of Directors	-	-
	Average number of full-time employees	70	67

11 Charges, collateral and contingencies

Lease obligations (operating leases) falling due within 2 years total DKK 160 thousand, hereof DKK 77 thousand is falling due 2015/16.

Performance bonds and advance payment guarantees issued by guarantors' amount to DKK 16,409. thousand.

The Company has entered into lease contract that is non-terminable until 30 September 2019. Tenancy commitments in lease buildings amount to DKK 9,180 thousand, of this DKK 2,040 thousand concerns 2015/16.

The Company has entered project-related forward exchange contracts, concerning currency in SEK 12,600 thousand with a net position as of 31 March 2015 to DKK -58 thousand.

The Company is jointly taxed with the Danish parent company and Danish subsidiaries. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties.

12 Related party disclosures

Boilerworks A/S' related parties comprise the following:

Parties exercising control

Danstoker A/S holds the majority of the share capital in the Company.

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent's consolidated financial statements
Thermax Denmark ApS	Denmark	www.erhvervsstyrelsen.dk
Thermax Ltd.	India	www.thermaxglobal.com

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the voting rights or minimum 5% of the share capital:

Danstoker A/S

Industrivej Nord 13

7400 Herning

BOILERWORKS PROPERTIES ApS

Executive Board

Hemant Prabhakar Mohgaonkar Amitabha Mukhopadhyay

Registered Office

Boilerworks Properties ApS Industrivej Nord 13 DK - 7400 Herning

Auditors

Ernst & Young Godkendt Revisionspartnerselskab Havnegade 33 DK 6700 Esbjerg

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Boilerworks Properties ApS for the financial year 1 April 2014 - 31 March 2015.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 March 2015 and of the results of the Company's operations for the financial year 1 April 2014 – 31 March 2015.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Herning, 5 May 2015

Executive Board:

Hemant Prabhakar Mohgaonkar

Amitabha Mukhopadhyay

Independent Auditors' Report

To the shareholders of Boilerworks Properties ApS

Independent auditors' report on the financial statements

We have audited the financial statements of Boilerworks Properties ApS for the financial year 1 April 2014 – 31 March 2015. The financial statements comprise accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to 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 auditors' judgement, 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 auditors consider internal control relevant to the Company's preparation of financial statements that give a true and fair view 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 March 2015 and of the results of its operations for the financial year 1 April 2014 – 31 March 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Esbjerg, 5 May 2015 ERNST & YOUNG Godkendt Revisionspartnerselskab

John Lesbo State Authorised Public Accountant Birgitte Nygaard Jørgensen State Authorised Public Accountant

Management's review

Company details

Boilerworks Properties ApS Industrivej Nord 13 DK-7400 Herning

CVR no:35 22 67 61Established:12 April 2013Registered office:HerningFinancial year:1 April – 31 March \

Executive Board Hemant Prabhakar Mohgaonkar Amitabha Mukhopadhyay

Auditors

Ernst & Young Godkendt Revisionspartnerselskab Havnegade 33 DK-6701 Esbjerg

Operating review

Principal activity

The Company's principal activity is to own and lease out the property Papegøjevej 7, DK-6270 Tønder.

The Company is a fully-owned subsidiary of Ejendomsanpartsselskabet Industrivej Nord 13. The ultimate parent company of the Group is RDA Holdings Pvt. Ltd., Pune, India.

Development in activities and financial matters

Management considers profit for the year, DKK 1,446 thousand as satisfactory.

Future outlook

Satisfactory results are expected for the financial year 2015/16.

Events after the balance sheet date

No events have occurred after the balance sheet date which may materially affect the Company's financial position.

BOILERWORKS PROPERTIES ApS

Balance Sheet as at 31 March 2015

	Note	2014	2014/15		/14
		DKK'000	Rs Lacs	DKK'000	Rs Lacs
ASSETS					
Non-current assets					
Property, plant and equipment	5				
Land and buildings		4,293	385.38	4,392	485.30
Total non-current assets		4,293	385.38	4,392	485.30
Current assets					
Receivables					
Amount owed by group enterprises		1,156	103.77	2,123	234.58
Deferred tax assets				2	0.22
		1,156	103.77	2,125	234.80
Cash at bank and in hand		465	41.74	89	9.83
Total current assets		1,621	145.52	2,214	244.64
Total assets		5,914	530.90	6,606	729.94
EQUITY AND LIABILITIES					
Equity	6				
Share capital		80	7.18	80	8.84
Contributed premium		920	82.59	920	101.66
Retained earnings		780	70.02	1,334	147.40
Dividend proposed for the year		2,000	179.54		
Total equity		3,780	339.33	2,334	257.90
Liabilities					
Current liabilities other than provisions					
Amounts owed to group companies		1,969	176.76	4,110	454.14
Other payables		159	14.27	162	17.90
Total liabilities		2,128	191.03	4,272	472.04
Provisions					
Provisions for deferred tax		6	0.54	-	-
Total Provisions		6	0.54		
Total liabilities		2,134	191.57	4,272	472.04
Total equity and liabilities		5,914	530.90	6,606	729.94

Income Statement For the period 1 April 2014 to 31 March 2015

	Note	2014	2014/15		/14
		DKK'000	Rs Lacs	DKK'000	Rs Lacs
Gross profit		2,002	179.72	1,954	215.91
Impairment losses and depreciation	5	(124)	(11.13)	(158)	(17.46)
Operating profit		1,878	168.59	1,796	198.45
Financial income	2	75	6.73	41	4.53
Financial expenses	3	(39)	(3.50)	(58)	(6.41)
Profit before tax		1,914	171.82	1,779	196.57
Tax on profit for the year	4	(468)	(42.01)	(445)	(49.17)
Profit for the year		1,446	129.81	1,334	147.40
Proposed profit appropriation					
Proposed dividend		2,000	179.54	-	-
Retained earnings		(554)	(49.73)	1,334	147.40
		1,446	129.81	1,334	147.40

Notes:

Accounting Policies -1 Charges, collateral and contingencies, etc. -7 Related party-ownership -8

Statement of Changes in Equity for the period 1 April 2014 to 31 March 2015

	Share	Capital	Contributed premium		Contributed premium R		Retained earnings		Dividend proposed for the year		Total	
	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs		
Equity at 1 April 2014	80	7.18	920	82.59	1,334	119.75	-	-	2,334	209.52		
Retained profit for the year	-	-	-	-	(554)	(49.73)	2,000	179.54	1,446	129.81		
	80	7.18	920	82.59	780	70.02	2,000	179.54	3,780	339.33		
			Ì	1	Ì		Ì		Ì			

Exchange rate : as at 31st Mar 15 is 1 DKK = Rs 8.9770

Exchange rate : as at 31st Mar 14 is 1 DKK = Rs 11.0496

Financial statements for the year 1 April 2014 - 31 March 2015

Notes to the financial statements

1 Accounting policies

The annual report of Boilerworks Properties ApS for 2014/15 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

The Accounting policies used in preparation of the financial statements are consistent with those of last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic resources is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Certain financial assets and liabilities are measured at amortised cost implying the recognition of a constant effective interest rate to maturity. Amortised cost is calculated as initial cost minus any principal repayments and plus or minus the cumulative amortisation of any difference between cost and nominal amount.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment and provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

Income statement

Revenue

Revenue comprises rental income, etc., which is recognised in the income statement in the period, which the rent concerns.

Other external expenses

Other external expenses comprise administrative expenses.

Gross profit

Revenue and other external costs are summed up in gross profit in compliance with the Danish Financial Statements Act section 32.

Profit/loss from investments in subsidiaries

The Company's proportional share of the results after tax of the subsidiaries is recognised in the income statement after full elimination of intra-group gains/ losses.

Financial income and expenses

Financial income and expenses comprise interest income and expense as well as surcharges and refunds under the tax prepayment scheme.

Tax on profit/loss for the year

The Company is covered by the Danish rules on compulsory joint taxation of the Thermax Denmark ApS Group's subsidiaries. Subsidiaries form part of the joint taxation from the date on which they are included in the consolidation and up to the date on which they exit the consolidation.

The Danish parent company Thermax Denmark ApS is the administrative company for the joint taxation and consequently settles all corporation tax payments with the authorities.

The current corporation tax is allocated among the jointly taxed companies in proportion to their taxable income. In this relation, companies with tax loss carry-forwards receive joint taxation contribution from companies that have used these losses to reduce their own taxable profits. The jointly taxed companies are taxed under the tax prepayment scheme.

Tax for the year comprises joint taxation contribution and changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to income and expenses recognised in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Land and buildings are measured at cost less accumulated depreciation. Land is not depreciated. In connection with significant changes in the value of land and buildings, revaluation at or write-down to fair value is made.

The basis of depreciation is cost less expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Buildings up to 30 years.

Gains or losses on the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. The gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Impairment of non-current assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets.

Receivables

Receivables are measured at amortised cost. Write-down to net realisable value is made for expected losses.

Equity - dividends

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

According to the joint taxation rules, the subsidiaries' liabilities towards the tax authorities regarding their corporation taxes are settled as payment of joint taxation contributions to the administrative company.

Joint taxation contribution payable and receivable is recognised in the balance sheet under balances with group companies.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry-forwards, are recognised under assets at the expected value of their utilisation; either as a set-off against tax on future income or as a set off against deferred tax liabilities in the same legal tax entity.

Deferred tax is measured according to the tax rules applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

BOILERWORKS PROPERTIES ApS

Financial statements for the year 1 April 2014 - 31 March 2015

Not	tes to the financial statements		
	DKK'000		
2	Financial income		
		2014/15	2013/14
	Interest income, group enterprises	75	41
	Total financial income	75	41
3	Financial expenses		
	Interest expense, group enterprises	39	58
	Total financial expenses	39	58
4	Tax on profit for the year		
	Joint taxation contribution for the year	460	447
	Adjustment of deferred tax assets	8	(2)
		468	445
5	Property, plant and equipment		
			Land and buildings
	Cost at 1 April 2014		4,550
	Additions		25
	Cost at 31 March 2015		4,575
	Impairment losses and depreciation at 1 April 2014		(158)
	Impairment losses and depreciation for the year		(124)
	Impairment losses and depreciation at 31 March 2015		(282)
	Carrying amount at 31 March 2015		4,293

6 Equity

	Share capital	Contri- buted premium	Retained earnings	Dividend proposed for the year	Total
Equity at 1 April 2014	80	920	1,334	-	2,334
Retained profit for the year	0	0	-554	2,000	1,446
2	80	920	780	2,000	3,780

7 Charges, collateral and contingencies etc.

The company is jointly taxed with the Danish parent company and Danish subsidiaries. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties.

Mortgage registered to the owner, nominal DKK 500 thousand, is held by the company.

8 Related party - ownership

The following shareholders are registered in the Company's register at shareholders as holding at least 5 % of the voting rights or at least 5 % of the share capital:

Ejendomsanpartsselskabet Industrivej Nord 13

Industrivej Nord 13

DK - 7400 Herning

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent's consolidated financial statements
Thermax Denmark ApS	Denmark	www.erhvervsstyrelsen.dk
Thermax Ltd.	India	www.thermaxglobal.com

THERMAX ENGINEERING SINGAPORE PTE LTD

Board of Directors

Amitabha Mukhopadhyay Hemant Mohgaonkar Ha Ling-Ling

Registered Office

100 Beach Road, # 30-00, Show Towers, Singapore 189702

Auditors

Pricewaterhouse Coopers LLP 8 Cross Street, # 17-00, PWC Building Singapore 048424

DIRECTORS' REPORT

For the period from 22 May 2014 (date of incorporation) to 31 March 2015

The directors present their report to the shareholder together with the audited financial statements for the financial period from 22 May 2014 (date of incorporation) to 31 March 2015.

Directors

The directors in office at the date of this report are as follows:

Amitabha Mukhopadhyay (appointed on 22 May 2014)

Hemant Prabhakar Mohgaonkar (appointed on 22 May 2014)

Ha Ling-Ling (appointed on 22 May 2014)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial period was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial period had any interest in the shares or debentures of the Company or its related corporations.

Directors' contractual benefits

Since the date of incorporation, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and in this report, and except that certain directors receive remuneration as a result of their employment with related corporations.

Share options

No options were granted during the financial period to subscribe for unissued shares of the Company.

No shares were issued during the financial period by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial period.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept appointment.

On behalf of the directors

Amitabha Mukhopadhyay

Director

Hemant Mohgaonkar



8 May 2015

STATEMENT BY DIRECTORS For the period from 22 May 2014 (date of incorporation) to 31 March 2015

In the opinion of the directors,

- (a) the financial statements as set out on pages 5 to 16 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 March 2015 and of the results of the business, changes in equity and cash flows of the Company for the financial period from 22 May 2014 (date of incorporation) to 31 March 2015.
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the directors

Amitabha Mukhopadhyay Director Hemant Mohgaonkar Director

8 May 2015

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INDEPENDENT AUDITOR'S REPORT

To The Members Of Thermax Engineering Singapore Pte Ltd

Report on the Financial Statements

We have audited the accompanying financial statements of Thermax Engineering Singapore Pte Ltd (the "Company") set out on pages 5 to 16, which comprise the balance sheet as at 31 March 2015, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the financial period from 22 May 2014 (date of incorporation) to 31 March 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

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 Singapore Standards on Auditing. 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 judgement, 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 entity's preparation of financial statements that give a true and fair view 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 accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 March 2015, and of the results, changes in equity and cash flows of the Company for the financial period from 22 May 2014 (date of incorporation) to 31 March 2015.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Pricewaterhouse Coopers LLP Public Accountants and Chartered Accountants Singapore, 8 May 2015

Statement of Comprehensive Income

For the period 22 May 2014 (date of incorporation) to 31 March 2015

PARTICULARS	Note	22.05.2014 to 31.03.2015		
		SGD	Rs Lacs	
INCOME				
Currency exchange gain- net		106,829	48.68	
		106,829	48.68	
EXPENSES				
Professional and Legal Fees		24,715	11.26	
Bank charges		1,411	0.64	
Others		6,650	3.03	
Total Expenses		32,776	14.93	
Profit before income tax		74,053	33.74	
Income tax expenses	3	-	-	
Profit after income tax and total comprehensive income		74,053	33.74	

Exchange Rate : as at 31 March 2015 is 1 SGD = Rs 45.56

Statement of cash flows

For the financial period from 22 May 2014 (date of incorporation) to 31 March 2015

	Note	22.05.2014 to 31.03.2015		
		SGD	Rs Lacs	
Cash flows from operating activities				
Profit after tax		74,053	33.74	
Changes in working capital				
Other Current assets		(5,000)	(2.28)	
Other Payables		12,460	5.68	
Cash generated from operations		81,513	37.14	
Net cash provided by operating activities		81,513	37.14	
Cash flow from investing activities				
Investment in subsidiary company		(1,006,086)	(458.41)	
Net cash used in investing activities		(1,006,086)	(458.41)	
Cash flow from financing activities				
Proceeds from issuance of ordinary shares		1,395,101	635.66	
Net cash provided by financing activities		1,395,101	635.66	
Net increase in cash and cash equivalents		470,528	214.39	
Cash and cash equivalents at beginning of financial period		-	-	
Cash and cash equivalents at end of financial period	4	470,528	214.39	

Balance Sheet as at 31 March 2015

PARTICULARS	Note	2015	
		SGD	Rs Lacs
ASSETS			
Non-current assets			
Investments in a subsidiary	6	1,006,086	458.41
Current assets			
Cash & cash equivalents	4	470,528	214.39
Other current assets	5	5,000	2.28
		475,528	216.67
Total assets		1,481,614	675.08
LIABILITIES			
Current liabilities			
Other payables	7	12,460	5.68
Total liabilities		12,460	5.68
Net assets		1,469,154	669.40
Equity			
Share capital	8	1,395,101	635.66
Retained earnings		74,053	33.74
Total Equity		1,469,154	669.40

Approved by the Board of Directors on 8 May 2015 and signed on its behalf by: **Amitabha Mukhopadhyay**Hemant Mohgaonkar
Director
Director

Statement of Changes in Equity

For the financial period from 22 May 2014 (date of incorporation) to 31 March 2015

	Share Capital		Retained earnings		Total Equity	
	SGD	Rs Lacs	SGD	Rs Lacs	SGD	Rs Lacs
Balance at 22 May 2014 (date of incorporation)	-	-	-	-	-	-
Shares issued for incorporation	1,395,101	635.66	-	-	1,395,101	635.66
Total comprehensive income for the period	-	-	74,053	33.74	74,053	33.74
End of financial period	1,395,101	635.66	74,053	33.74	1,469,154	669.40
	1	1				

THERMAX ENGINEERING SINGAPORE PTE LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 22 May 2014 (date of incorporation) to 31 March 2015 These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

The Company is incorporated and domiciled in Singapore. The address of its registered office is 100 Beach Road, #30-00, Shaw Towers, Singapore 189702.

The principal activity of the Company is investment holding and sales, services and procurement of industrial equipment.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below:

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. There are no areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements.

Interpretations and amendments to published standards effective in 2014

On 22 May 2014, the Company adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Company's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current financial period.

2.2 Consolidation

These financial statements are the separate financial statements of Thermax Engineering Singapore Pte Ltd. The Company is exempted from the preparation of consolidated financial statements as the Company is a wholly-owned subsidiary of Thermax Limited, incorporated in India, which produces consolidated financial statements available for public use. The registered office of Thermax Limited is D-13, MIDC Industrial Area, R D Aga Road, Chinchwad, Pune 411019, India.

2.3 Investment in a subsidiary

Investment in a subsidiary is carried at cost less accumulated impairment loss in the balance sheet. On disposal of investment in a subsidiary, the difference between disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

2.4 Loan and receivables

Bank balances

Other receivables

Bank balances and other receivables and deposits are initially recognised at their fair values plus transaction costs and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

The Company assesses at each balance sheet date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

These assets are presented as current assets except for those that are expected to be realised later than 12 months after the balance sheet date, which are presented as non-current assets.

2.5 Other payables

Other payables represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. They are classified as current liabilities if payment is due within 12 months or less (or in the normal operating cycle of the business, if longer). Otherwise, they are presented as non-current liabilities.

Other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.6 Income taxes

Current income tax is recognised at the amount expected to be paid to or recovered from the tax authorities.

Deferred income tax is recognised for all temporary differences except when the deferred income tax arises from the initial recognition of an asset or liability that affects neither accounting nor taxable profit or loss at the time of the transaction.

Current and deferred income tax is measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date, and are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a transaction which is recognised directly in equity.

2.7 Currency translation

These financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

Transactions in a currency other than Singapore Dollar ("foreign currency") are translated into Singapore Dollar using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

2.8 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include deposits with financial institutions, which are subject to an insignificant risk of change in value.

2.9 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital accounts.

3. Income tax

There is no tax expense for the Company as there is no chargeable income for the financial period from 22 May 2014 (date of incorporation) to 31 March 2015.

The tax expense on the loss differs from the theoretical amount that would arise using the Singapore Standard rate of income tax as follows:

	For the financial period from 22 May 2014 (date of incorporation) to 31 March 2015 SGD
Profit before tax	74,053
Tax calculated at a tax rate of 17%	12,589
Effects of:	
- Statutory stepped income exemption	12,589
Tax charge	

4. Cash and cash equivalents

	2015
	SGD
Cash at bank	470,528

5. Other current assets

		2015 SGD
	Deposits	5,000
6.	Investments in a subsidiary	
		2015
		SGD
	Equity investments at cost	
	Beginning of financial period	-
	Additions	1,006,086
	End of financial period	1,006,086

At the balance sheet date, the details of the subsidiary are as follows:

Name of company	Principal activity	Country of business/ incorporation	Equity holding
			2015
			%
PT Thermax International Indonesia	Manufacture of component parts	Indonesia	95

7. Other payables

	2015 SGD
Accrual for operating expenses	12,460

8. Share capital

The Company's share capital comprise fully paid-up 1,100,001 ordinary shares with no par value, amounting to a total of USD 1,100,001 (SGD equivalent of \$1,395,101).

9. Financial risk management

Financial risk factors

The Company's activities exposed it to market risk (including currency risk and interest rate risk), credit risk, and liquidity risk.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the company. The management team then establishes the detailed policies such as risk identification and measurement and exposure limits. Financial risk management is carried out by the finance personnel.

- (a) Market risk
 - (i) Currency risk

The Company's business operations are not exposed to significant foreign currency risks as it has no significant transactions denominated in foreign currencies.

(ii) Interest rate risk

The Company has insignificant financial assets or liabilities that are exposed to interest rate risk.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company.

The maximum exposure to credit risk is represented by the carrying amount

of each financial asset presented on the balance sheet. The Company's major class of financial assets is bank deposits.

Bank deposits that are neither past due nor impaired are mainly deposits with financial institutions which have high credit ratings.

There is no other class of financial assets that is past due and/or impaired.

(c) Liquidity risk

The Company manages its liquidity risk by maintaining sufficient cash and has financial support from its holding corporation to enable it to meet its operational requirements. All financial liability balances are due within 12 months of the balance sheet date.

(d) Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure by issuing or redeeming additional equity and debt instruments when necessary.

The Board of Directors monitors its capital based on net debt and total capital. Net debt is calculated as other payables less cash and bank deposits. Total capital is calculated as total equity plus net debt.

	2015 SGD
Net debt	-
Total equity	1,469,154
	1,469,154

The Company is not subject to any externally imposed capital requirements.

(e) Fair value measurements

The carrying values of the current financial assets and financial liabilities of the Company approximate to their fair values.

10. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

	2015
	SGD
Reimbursement of expenses paid by related corporation on	
behalf of the Company	11,584

11. Immediate and ultimate holding corporation

The Company's immediate holding corporation is Thermax Limited, incorporated in India. The ultimate holding corporation is RDA Holdings Private Limted, incorporated in the India.

12. New or revised accounting standards and interpretations

Certain new standards, amendments and interpretations to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 1 April 2015. The Company does not expect that the adoption of these accounting standards or interpretations will have a material impact on the Company's financial statements.

13. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of the Thermax Engineering Singapore Pte. Ltd. on 8 May 2015.

PT THERMAX INTERNATIONAL INDONESIA

Board of Commissioner

Amitabha Mukhopadhyay Commissioner

Board of Directors

Jawahar Harinarayanan President Director Hemant Mohgaonkar Director

Bankers

Citi Bank, NA.

Registered Office

Perkantoran Crown Palace, Blok. B 02-03 Jl. Prof. Dr. Soepomo SH No. 231, Kel. Tebet, Kec. Menteng Dalam South Jakarta 12870, Indonesia

Auditors

KAP Tanudiredja, Wibisana, Rintis & Rekan Plaza 89, JI H.R. Rasuna Said Kav. X-7 No.6 Jakarta 12940- Indonesia.

DIRECTORS' STATEMENT REGARDING RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

In accordance with a resolution of the directors of PT Thermax International Indonesia (the "Company"), in the opinion of the directors:

- (a) We are responsible for the preparation and presentation of the financial statements of the Company;
- (b) The financial statements of the Company have been prepared and presented in accordance with Indonesian Financial Accounting Standards;
- (c) (i) All information in the financial statements of the Company has been disclosed in a complete and truthful manner;
 - (ii) The financial statements of the Company do not contain any incorrect information of material fact, nor do they omit information or material fact;
- (d) We are responsible for the Company's internal control system.

Thus this statement is made truthfully.

For and on behalf of the directors:

President Director

: Jawahar Harinarayanan

Director 8 May 2015 : HemantMohgaonkar

Independent Auditor's Report

TO THE SHAREHOLDERS OF PT THERMAX INTERNATIONAL INDONESIA

We have audited the accompanying financial statements of PT Thermax International Indonesia, which comprise the statement of financial position as at 31 March 2015, and the statement of comprehensive loss, statement of changes in equity and statement of cash flows from inception until 31 March 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that 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 Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. 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 entity'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 accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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, the financial statements present fairly, in all material respects, the financial position of PT Thermax International Indonesia as at 31 March 2015, and its financial performance and its cash flows from inception until 31 March 2015 in accordance with Indonesian Financial Accounting Standards.

JAKARTA

8 May 2015

Yanto, S.E., Ak., M.Ak., CPA

License of Public Accountant No. AP. 0241

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

		2015		
Particulars	Notes	Rp'000	Rs lakhs	
CURRENT ASSETS				
Cash and cash equivalents	3	9,481,594	455.12	
Advance and prepayments		118	0.00	
Other receivables	4	500,000	24.00	
Total current assets		9,981,712	479.12	
TOTAL ASSETS		9,981,712	479.12	
CURRENT LIABILITIES				
Trade payables	5	122,605	5.89	
Taxes payable	6a	37,625	1.80	
Accrued expenses and other payables	7	95,939	4.60	
Total current liabilities		256,169	12.29	
Total liabilities		256,169	12.29	
EQUITY				
Share capital				
Authorised: 20,000 shares with par value of Rp1,000,000 (full amount) per share				
Issued: 10,000 shares with par value of				
Rp 1,000,000 (full amount) per share	8	10,000,000	480.00	
Accumulated deficit		(274,457)	(13.17)	
Total Equity		9,725,543	466.83	
TOTAL LIABILITIES AND EQUITY		9,981,712	479.12	

Exchange Rate : as at 31 March 2015 is 1 IDR = INR 0.0048

STATEMENT OF COMPREHENSIVE LOSS FROM INCEPTION UNTIL 31 MARCH 2015

		2015	
Particulars	Notes	Rp'000	Rs lakhs
General and administrative expenses	9	(409,221)	(19.64)
Foreign exchange gain		134,764	6.47
Loss before income tax expense	-	(274,457)	(13.17)
Income tax expense	6b	-	-
Loss for the year		(274,457)	(13.17)
Other comprehensive income	-		-
Total other comprehensive loss		(274,457)	(13.17)

Exchange Rate : as at 31 March 2015 is 1 IDR = INR 0.0048

STATEMENT OF CASH FLOWS FROM INCEPTION UNTIL 31 MARCH 2015

	201	15
Particulars	Rp'000	Rs lakhs
Cash flows from operating activities		
Loss before income tax expense	(274,457)	(13.17)
Add items not affecting operating cash flows :		
- Unrealised difference in exchange rates of cash and cash equivalents	(47,175)	(2.26)
Operating cash flows before changes in working capital	(321,632)	(15.43)
Changes in working capital:		
- Advances and prepayments	(118)	(0.00)
- Trade payables	122,605	5.89
- Accrued expenses and other payables	95,939	4.60
- Taxes payable	37,625	1.80
Net cash flows used in operating activities	(65,581)	(3.14)
Net cash flows used in investing activities	-	
Cash flows from financing activities		
Proceeds from shares issuance	9,500,000	456.00
Net cash flows provided from financing activities	9,500,000	456.00
Net increase in cash and cash equivalents	9,434,419	452.86
Cash and cash equivalents at the beginning of the period	-	-
Foreign exchange impact on cash and cash equivalent	47,175	2.26
Cash and cash equivalents at the end of the period	9,481,594	455.12

STATEMENT OF CHANGES IN EQUITY FROM INCEPTION UNTIL 31 MARCH 2015

		Share ca	pital	Additional paid	d in capital	Accumulated	d Losses	Total	
Particulars	Notes	Rp'000	Rs lakhs	Rp'000	Rs lakhs	Rp'000	Rs lakhs	Rp'000	Rs lakhs
Balance as at 22 October 2014		-	-	-	-	-	-	-	-
Capital contributed by shareholders	8	10,000,000	480.00	-	-	-	-	10,000,000	480.00
Total comprehensive loss		-	-	-	-	(274,457)	(13.17)	(274,457)	(13.17)
Balance as at 31 March 2015		10,000,000	480.00	-	-	(274,457)	(13.17)	9,725,543	466.83

PT THERMAX INTERNATIONAL INDONESIA

Notes to Financial Statements

1. GENERAL

PT Thermax International Indonesia (the "Company") was established on 22 October 2014 based on Notarial Deed No. 12 dated 1 October 2014 of Jimmy Tanal, S.H, M.Kn, a notary in Jakarta,. The Notarial Deed was approved by the Minister of Law and Human Rights of the Republic of Indonesia in letter No.AHU-30730.40.10.2014 dated 22 October 2014.

Given this is the first year of the Company's operation, no comparative information is presented in these financial statements.

The Company's office is located in Perkantoran Crown Palace, Blok. B 02-03 Jl. Prof. Dr. Soepomo SH No. 231, Kel.Tebet, Kec. Menteng Dalam, South Jakarta 12870.

As at 31 March 2015, the Company's Board of Commissioner and Board of Directors were as follows:

2015

		2013
Commissioner	:	Mr Amitabha Mukhopadhyay
President Director	:	Mr Jawahar Harinarayanan
Director	:	Mr Hemant Mohagaonkar

As at 31 March 2015, the Company had one employee. The Company's ultimate parent is RDA Holdings Private Limited in India.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company's financial statements were authorised by the Board of Directors on 8 May 2015.

The principal accounting policies applied in the preparation of these financial statements are set out below.

a. Basis of preparation of the financial statements

The Company's financial statements have been prepared in accordance with Indonesian Financial Accounting Standards.

The financial statements have been prepared under the historical cost convention and using the accrual basis, except for the statements of cash flows.

The statement of cash flows is prepared using the indirect method by classifying cash flows on the basis of operating, investing and financing activities.

For the purpose of the statement of cash flows, cash and cash equivalents include cash on hand, cash in banks and deposits with a maturity of three months or less, net of overdrafts.

Figures in the financial statements are expressed in thousands of Rupiah ("Rp"), unless otherwise stated.

As at 31 March 2015, despite the Company has an accumulated deficit (retained losses) of Rp274,457, the Company has positive net working capital of Rp9,725,543. The Company is in the process of setting up a manufacturing plant in Indonesia; as such, management believes that there is no significant doubt on the Company's ability to continue as a going concern and the use of going concern assumption in preparing these financial statements is appropriate.

The preparation of financial statements in conformity with Indonesian Financial Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment when applying the Company's accounting policies. For the preparation of financial statements for the period from inception until 31 March 2015, there is no area involving a higher degree of judgment or complexity, or area where assumptions and estimates are significant to the financial statements.

As at the authorisation date, the Company is still assessing the impact of the following new and amended Statements of Financial Accounting Standards ("SFAS") and Interpretations of Statement of Financial Accounting Standards ("IFAS") which are effective on 1 January 2015:

- IFAS 26 "Reassessment of embedded derivatives"
- SFAS 65 "Consolidated financial statements"
- SFAS 66 "Joint arrangements"
- SFAS 67 "Disclosure of interests in other entities"
- SFAS 68 "Fair value measurement"
- SFAS 1 (revised 2013) "Presentation of financial statements"

- SFAS 4 (revised 2013) "Separate financial statements"
- SFAS 15 (revised 2013) "Investment in associates and joint ventures"
- SFAS 24 (revised 2013) "Employee benefits"
- SFAS 46 (revised 2014) "Income tax"
- SFAS 48 (revised 2014) "Impairment of asset"
- SFAS 50(revised 2014) "Financial instrument: Presentation"
- SFAS 55 (revised 2014)"Financial instrument: Recognition and measurement"
- SFAS 60 (revised 2014) "Financial instrument: Disclosures"

b. Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency").

The financial statements are presented in Indonesia Rupiah, which is the functional currency of the Company.

ii) Transactions and balances

Transactions denominated in foreign currencies are translated into Rupiah at the exchange rate prevailing at the date of the transactions. At the reporting date, monetary assets and liabilities in foreign currencies are translated at the exchange rates prevailing at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised as part of foreign exchange gain (losses) account.

The exchange rate used to translate US Dollar ("US\$") balance as at 31 March 2015 was Rp13,084 to 1 US Dollar.

c. Expense recognition

Expenses are recognised when incurred on an accrual basis.

d. Taxation

The tax expense for the period comprises current and deferred tax. The tax expense is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the financial reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Management establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Tax losses carry forward arerecognised as a deferred tax asset when it is probable that there will be future taxable profit available against which the unused tax losses can be utilised. Deferred income tax is determined using tax rates pursuant to laws or regulations that have been enacted or substantially enacted at the reporting date and which are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

e. Provisions

Provision for restructuring costs, legal claims, and environmental issues is recognised when:

the Company has a present legal or constructive obligation as a result of past events;

Notes to Financial Statements

- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount can be reliably estimated

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Although the likelihood of an outflow for any one item may be small, it may well be probable that some outflow of resources will be needed to settle the class of obligations as a whole. If that is the case, a provision is recognised.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Increase in the provision due to the passage of time is recognised as a finance cost.

f. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity.

i) Financial assets

The Company classifies its financial assets into the categories of: (i) financial assets at fair value through profit or loss, (ii) held to maturity investments, (iii) loans and receivables and (iv) available for sale financial assets.

As at 31 March 2015, the Company only has financial assets classified as loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets for maturities shorter than 12 months; otherwise, they are classified as non-current assets. The Company's loans and receivables comprise cash and cash equivalents and other receivables in the statement of financial positions.

Loans and receivables are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Financial assets are derecognised when the rights to receive cash flows from the assets have ceased to exist or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Interest income on financial assets classified as loans and receivables is included in finance income in the profit or loss. In the case of impairment, the impairment loss is reported as a deduction from the carrying value of the financial assets classified as loans and receivables and the loss is recognised in profit or loss.

ii) Financial liabilities

The Company classifies its financial liabilities into two categories (i) at fair value through profit or loss and (ii) financial liabilities measured at amortised cost. As at 31 March 2015, the Company has financial liabilities measured at amortised cost. The Company's financial liabilities measured at amortised cost comprise of trade payables, accrued expenses and other payables.

iii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

iv) Impairment of financial assets

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that the loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Evidence of impairment may include indication that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest of principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future credit losses that have not yet been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan has current effective interest rate determined under the contract. As a practical expedient, the Group measure impairment on the basis of an instrument's fair value using an observable market price.

If, during a subsequent year, the amount of the impairment loss decrease and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

g. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

h. Share capital

4.

5.

6.

Ordinary shares are classified as equity.

	Ordinary shares are classified as ed
3.	CASH AND CASH EQUIVALENTS

	2015
Cash in banks	9,481,594
Total cash and cash equivalents	9,481,594
OTHER RECEIVABLES	
	2015
Receivable from Shareholder	500,000
Total other receivables	500,000
TRADE PAYABLES	
	2015
Sagita Ridjab Syah & Partners	105,572
PT-Klase Auto Graha	10,806
Lamindo Inter Service	4,900
Others	1,327
Total trade payables	122,605
TAXATION	
a. Taxes payable	
	2015
Income tax article 4(2)	9,843
Income tax article 23	2,274
Income tax article 21	25,508
Total taxes payable	37,625
b. Income tax expense	
	2015
Current	-
Deferred	-
Total income tax expense	

The reconciliation between income tax benefit and the theoretical tax amount on the Company's loss before income tax is as follows:

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Notes to Financial Statements

6 (b). Continued

	2015
Loss before income tax	(274,457)
Income tax benefit calculated at applicable tax rate (25%)	(68,614)
Non-deductible expenses	1,570
Unrecognised deferred tax assets	67,044
Income tax expense	-

No provision for corporate income tax has been made as at 31 March 2015 since the Company was in a tax loss position.

c. Deferred tax assets

The Company has not recognised any deferred tax assets as management does not believe that there are sufficient taxable profits that will be generated to utilise the benefits of tax loss carried forward before the expiration of such tax loss carried forward.

d. Tax administration in Indonesia

The taxation laws of Indonesia require that companies within Indonesia to submit individual tax returns on the basis of self assessment. Under the prevailing regulations the Director General of Tax ("DGT") may assess or amend taxes within five years of the time the tax becomes due.

7. ACCRUED EXPENSES AND OTHER PAYABLES

	2015
Audit fee	45,794
Employee reimbursements	50,145
Total accrued expenses and other payables	95,939

8. SHARE CAPITAL

Shareholders	Number of shares	Amount (Rp)	Percentage of ownership
Thermax Engineering Singapore PTE Ltd	9,500	9,500,000	95%
Triano Andreas Ridjab	500	500,000	5%
	10,000	10,000,000	100%

As at 31 March 2015 the Company is yet to receive Rp500,000 from Triano Andreas Ridjab for the issuance of 500 shares (see note 4).

9. GENERAL AND ADMINISTRATIVE EXPENSES

	2015
Salary	139,445
Legal & Professional Charges	112,889
Audit Fees-Statutory Audit	45,794
Vehicle Hire Charges	33,018
Income Tax-Salary	25,508
Rent (Office)	10,827
Others	41,740
Total general and administrative expenses	409,221

10. RELATED PARTY TRANSACTIONS

Key management compensation

Key management includes directors and commissioner. In 2014, the compensation for key management recorded in financial statement amounted to Rp139,445 only for the President Director of the Company. The compensation for the Company's Commissioner and other Director was paid directly by the Thermax Limited.

11. GENERAL RESERVE

Limited Liability Company Law No.40/2007 requires Indonesian companies to set up a statutory reserve amounting to a minimum of 20% of the Company's issued and paid-up share capital. There is no set period of time over which this amount should be accumulated. As at 31 March 2015, the Company had not yet established a general reserve as the Company is in an accumulated loss position.

12. COMMITMENT AND AGREEMENT

Office rental with PT Mitrabina Rekaniaga ("PTMR")

On 5 January 2015, the Company entered into a year agreement with PTMR for the office rental space located in office area Crown Palace. Pursuant to the agreement, the Company agreed to pay office rental amounted to US\$ 250 per month. The agreement will be effective from 1 January to 31 December 2015. The agreement can be extended with further notice a month before the date of expiry.

13. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

As at 31 March 2015, the Company's financial assets which comprise of cash in banks of Rp9,481,594 and other receivables of Rp500,000, are categorised as loans and receivables.

As at 31 March 2015, the Company's financial liabilities which comprise of trade payables, accrued expenses and other payables with a total balance of Rp218,544 are categorised as other financial liabilities at amortised cost.

14. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's Board of Directors. The Board of Directors provides principles for overall risk management, including market, credit and liquidity risks.

a. Market risk

i) Foreign exchange risk

As at 31 March 2015, if the United States Dollar had weakened/ strengthened by 10% against the Indonesian Rupiah with all other variables held constant, post-tax loss for the period would have been Rp933,683 lower/higher, mainly as a result of foreign exchange gains/ losses on the translation of foreign currency-denominated cash and cash equivalent.

ii) Interest rate risk

The Company is not significantly exposed to interest rate risk since there are no significant interest bearing assets and liabilities. The Company's operating cash flows are substantially independent of changes in market interest rates.

b. Credit risk

Credit risk arises from cash in banks and other receivables. The carrying amounts of financial assets in the Company's statements of financial position represent the maximum credit risk exposure. At 31 March 2015, the total maximum exposure from credit risk is Rp9,981,594 because the Company is placing its cash with highly reputable bank and the receivable is due from shareholder.

Management is confident in its ability to continue to control and sustain minimal exposure of credit risk.

c. Liquidity risk

Liquidity risk arises in situations in which the Company has difficulties obtaining the necessary resources to fulfill its financial obligations. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below analyses the Company's financial liabilities at the reporting date and into relevant maturity groupings based on the remaining period to the contractual maturity date. The amounts disclosed in the table represent the contractual undiscounted cash flows including estimated interest payments.

... ...

	Contractual maturities of financial liabilities		
	Less than 1 year	Between 2 and 5 years	Total
31 March 2015			
Trade payables	122,605	-	122,605
Accrued expenses and other payables	95,939	-	95,939
Total financial liabilities	218,544		218,544

Notes to Financial Statements

d. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may, issue new shares.

The Company's policy is to maintain a commercially sound financial position with the aim of maximising the net cash return to the shareholder whilst ensuring a level of capitalisation that is commercially defensible. Any funding whether equity or debt is subject to the Group's Investment or Financing Proposal Board and will be supported in line with local legal and corporate governance practices and the Group's Governance Standards.

e. Fair value of financial instruments

Management is of the opinion that the carrying value of its financial assets and liabilities approximate the fair value of the financial assets and liabilities as at 31 March 2015.

15. EVENTS AFTER THE REPORTING PERIOD

In April 2015 the Company submitted an application to transfer the ownership of 500 shares from Triano Andreas Ridjab to Thermax Engineering Singapore PTE Ltd and Thermax International Limited, Mauritus. Upon receiving the appropriate approval from Badan Koordinasi Penanaman Modal (BKPM), the shareholding structure will change such that Thermax Engineering Singapore PTE Ltd and Thermax International Limited, Mauritus, will hold 99.9% and 0.1% ownership in the Company, respectively.

16. AUTHORISATION OF FINANCIAL STATEMENTS

The Company's financial statements were prepared, finalised and authorised by the Board of Director on 8 May 2015.

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