

THERMAX LIMITED
Regd. Office : D-13, M.I.D.C. Industrial Area, R.D.Aga Road, Chinchwad, Pune - 411 019
Corporate Identity Number - L29299PN1980PLC022787
Statement of unaudited financial results for the quarter and half year ended September 30, 2023

(Rs. in Crore)

Sr. No.	Particulars	Consolidated		
		Quarter ended Sept 30, 2023	Quarter ended Sept 30, 2022	Half year ended Sept 30, 2023
		(Unaudited)	(Unaudited)	(Unaudited)
1	Revenue from operations	2,302.46	2,075.26	4,235.42
2	Profit before share of profit/ (loss) of associates, exceptional items and tax	217.72	142.60	360.21
3	Exceptional items (expenses) (Refer note 3)	-	-	(50.63)
4	Profit before tax	217.47	142.38	308.94
5	Net Profit for the period	158.60	109.14	218.55
6	Total Comprehensive Income for the period	151.70	94.14	215.99
7	Equity Share Capital	22.52	22.52	22.52
8	Earnings Per Share (of Rs. 2/- each) Basic (Rs.)	14.00	9.70	19.23
9	Earnings Per Share (of Rs. 2/- each) Diluted (Rs.)	14.00	9.70	19.23

Notes:

1. The above is an extract of the detailed format of unaudited Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended. The full format of the unaudited financial results is available on the Stock Exchange websites (URL:www.nseindia.com,www.bseindia.com) and also on the Company's website (URL: www.thermaxglobal.com).

2. Key financial figures for Thermax Limited (Standalone) are as follows :

(Rs. in Crore)

Sr. No.	Particulars	Quarter ended Sept 30, 2023	Quarter ended Sept 30, 2022	Half year ended Sept 30, 2023
		(Unaudited)	(Unaudited)	(Unaudited)
1	Revenue from operations	1,443.90	1,373.42	2,604.51
2	Profit before exceptional items and tax	175.80	114.05	285.84
3	Exceptional items ((expenses) / gain) (Refer note 3)	(73.41)	-	(124.04)
4	Profit before tax	102.39	114.05	161.80
5	Net Profit for the period	64.39	92.61	108.27
6	Total Comprehensive Income for the period	62.11	84.19	104.60
7	Equity Share Capital	23.83	23.83	23.83
8	Earnings Per Share (of Rs. 2/- each) Basic (Rs.)	5.41	7.77	9.09
9	Earnings Per Share (of Rs. 2/- each) Diluted (Rs.)	5.41	7.77	9.09

3. Exceptional Items:

(Rs. in Crore)

Particulars	Consolidated		
	Quarter ended Sept 30, 2023	Quarter ended Sept 30, 2022	Half year ended Sept 30, 2023
	(Unaudited)	(Unaudited)	(Unaudited)
<u>I. Provision related to litigation (refer note below)</u>	-	-	(50.63)
Total	-	-	(50.63)

Particulars	Standalone		
	Quarter ended Sept 30, 2023	Quarter ended Sept 30, 2022	Half year ended Sept 30, 2023
	(Unaudited)	(Unaudited)	(Unaudited)
<u>I. Reversal / (provision) of impairment of investment in subsidiaries</u>			
Thermax Engineering Singapore Pte. Ltd. (related to PT Thermax International Indonesia)*	(73.41)	-	(73.41)
<u>II. Provision related to litigation (refer note below)</u>	-	-	(50.63)
Total	(73.41)	-	(124.04)

*Considering the current market scenario and performance of subsidiary, the Holding Company has accounted for provision for impairment of investment in subsidiary.

Note: The Company received an Arbitral Award against the Company for repair, payment of damages, etc. for breakdown of third party Gas Turbo - Generators (GTGs) for a customer project on June 5, 2023 currently estimated at Rs 218.45 crores including interest. As per the Award, the Company was directed to repair and reinstate the GTGs under the defect liability obligation. Pursuant to an independent legal opinion, the Company had made a provision of Rs. 50.63 crores and for the balance amount, no provision had been considered necessary.

During the quarter, the Company filed an application before the High Court of Bombay to set aside the said Award and received an order dated October 4, 2023 wherein a stay of operation and execution of the Arbitral Award has been granted, subject to the Company depositing an amount of Rs. 218.45 crores which is returnable with interest in the event the Award is set aside by the Court. The matter is also listed for final hearing on January 15, 2024. Pursuant to the stay order, the Company has deposited Rs. 218.45 crores.

The Company is reasonably confident of the issue being ultimately decided in its favour.

For Thermax Limited

Place: Pune
Date: November 03, 2023

Mrs. Meher Pudumjee
Chairperson

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(Rs. in Crore)

	Particulars	Consolidated					
		Quarter ended			Half year ended		Year ended
		Sept 30, 2023	June 30, 2023	Sept 30, 2022	Sept 30, 2023	Sept 30, 2022	Mar 31, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income:						
(a)	Revenue from operations	2,302.46	1,932.96	2,075.26	4,235.42	3,729.74	8,089.81
(b)	Other income	65.86	53.06	39.83	118.92	60.37	160.18
	Total Income	2,368.32	1,986.02	2,115.09	4,354.34	3,790.11	8,249.99
2	Expenses:						
(a)	Cost of raw materials and components consumed	1,244.29	1,028.54	1,115.99	2,272.83	2,075.58	4,442.70
(b)	Purchase of traded goods	43.11	29.21	42.75	72.32	71.58	152.73
(c)	Changes in inventories of finished goods, work-in-progress and traded goods	(6.88)	19.65	73.56	12.77	55.79	29.25
(d)	Employee benefits expense	284.28	255.77	236.71	540.05	451.63	954.17
(e)	Finance cost	19.80	13.37	7.98	33.17	14.55	37.59
(f)	Depreciation and amortisation expense	32.96	29.40	29.80	62.36	58.35	116.86
(g)	Other expenses	533.04	467.59	465.70	1,000.63	838.58	1,913.40
	Total Expenses	2,150.60	1,843.53	1,972.49	3,994.13	3,566.06	7,646.70
3	Profit before tax and share of profit/ (loss) of associates	217.72	142.49	142.60	360.21	224.05	603.29
4	Share of (loss) of associates	(0.25)	(0.39)	(0.22)	(0.64)	(0.29)	(0.23)
5	Profit before tax and exceptional items	217.47	142.10	142.38	359.57	223.76	603.06
6	Exceptional items (loss) (Refer note no 3)	-	(50.63)	-	(50.63)	-	-
7	Profit before tax	217.47	91.47	142.38	308.94	223.76	603.06
8	Tax expense						
(a)	Current tax	51.58	25.01	26.85	76.59	42.23	125.89
(b)	Deferred tax expense	7.29	6.51	6.39	13.80	13.44	26.47
	Total tax expense	58.87	31.52	33.24	90.39	55.67	152.36
9	Net profit for the period	158.60	59.95	109.14	218.55	168.09	450.70
10	Other Comprehensive Income, net of tax						
(a)	Items that will be reclassified to profit or loss in subsequent periods	(4.04)	7.00	(4.16)	2.96	(7.34)	10.81
(b)	Items that will not be reclassified to profit or loss in subsequent periods	(2.86)	(2.66)	(10.84)	(5.52)	(9.90)	(10.62)
	Total Other comprehensive income for the period	(6.90)	4.34	(15.00)	(2.56)	(17.24)	0.19
11	Total Comprehensive Income for the period	151.70	64.29	94.14	215.99	150.85	450.89
12	Net profit attributable to :						
-	Equity holders	157.73	58.88	109.16	216.61	168.11	450.29
-	Non controlling interest	0.87	1.07	(0.02)	1.94	(0.02)	0.41
13	Other Comprehensive Income, net of tax attributable to:						
-	Equity holders	(6.90)	4.34	(15.00)	(2.56)	(17.24)	0.20
-	Non controlling interest	-	-	-	-	-	(0.01)
14	Total Comprehensive Income attributable to:						
-	Equity holders	150.83	63.22	94.16	214.05	150.87	450.49
-	Non controlling interest	0.87	1.07	(0.02)	1.94	(0.02)	0.40
15	Paid-up Equity Share Capital (Face Value of Rs. 2/- each)	22.52	22.52	22.52	22.52	22.52	22.52
16	Other equity						3,845.55
17	Earnings Per Share (in Rupees) (not annualised)						
Basic		14.00	5.23	9.70	19.23	14.93	39.98
Diluted		14.00	5.23	9.70	19.23	14.93	39.98
	See accompanying notes to the financial results						

	Particulars	Standalone					
		Quarter ended			Half year ended		Year ended
		Sept 30, 2023	June 30, 2023	Sept 30, 2022	Sept 30, 2023	Sept 30, 2022	Mar 31, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income:						
(a)	Revenue from operations	1,443.90	1,160.61	1,373.42	2,604.51	2,320.42	5,141.16
(b)	Other income	57.79	49.15	37.61	106.94	53.35	136.34
	Total Income	1,501.69	1,209.76	1,411.03	2,711.45	2,373.77	5,277.50
2	Expenses:						
(a)	Cost of raw materials and components consumed	756.24	586.57	755.15	1,342.81	1,341.27	2,848.01
(b)	Purchase of traded goods	42.37	28.80	40.73	71.17	64.92	143.29
(c)	Changes in inventories of finished goods, work-in-progress and traded goods	(1.51)	12.66	35.72	11.15	(11.85)	(12.29)
(d)	Employee benefits expense	166.67	149.72	141.75	316.39	268.76	563.65
(e)	Finance cost	5.61	5.32	4.56	10.93	8.15	19.58
(f)	Depreciation and amortisation expense	17.75	17.53	18.45	35.28	36.30	73.15
(g)	Other expenses	338.76	299.12	300.62	637.88	520.62	1,217.82
	Total Expenses	1,325.89	1,099.72	1,296.98	2,425.61	2,228.17	4,853.21
3	Profit before exceptional items and tax	175.80	110.04	114.05	285.84	145.60	424.29
4	Exceptional items (loss) / gain (Refer note no 3)	(73.41)	(50.63)	-	(124.04)	-	7.20
5	Profit before tax	102.39	59.41	114.05	161.80	145.60	431.49
6	Tax expense						
(a)	Current tax	41.01	18.73	20.85	59.74	30.46	98.91
(b)	Deferred tax expense / (credit)	(3.01)	(3.20)	0.59	(6.21)	(1.96)	3.32
	Total tax expense	38.00	15.53	21.44	53.53	28.50	102.23
7	Net profit for the period	64.39	43.88	92.61	108.27	117.10	329.26
8	Other Comprehensive Income, net of tax						
(a)	Items that will be reclassified to profit or loss in subsequent periods	(1.14)	0.61	(0.14)	(0.53)	(1.88)	0.21
(b)	Items that will not be reclassified to profit or loss in subsequent periods	(1.14)	(2.00)	(8.28)	(3.14)	(7.26)	(7.99)
	Total other comprehensive income for the period	(2.28)	(1.39)	(8.42)	(3.67)	(9.14)	(7.78)
9	Total comprehensive income for the period	62.11	42.49	84.19	104.60	107.96	321.48
10	Paid-up Equity Share Capital (Face Value of Rs. 2/- each)	23.83	23.83	23.83	23.83	23.83	23.83
11	Other equity						3,193.93
12	Earnings Per Share (in Rupees) (not annualised)						
Basic		5.41	3.68	7.77	9.09	9.83	27.63
Diluted		5.41	3.68	7.77	9.09	9.83	27.63
	See accompanying notes to the financial results						

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Statement of Asset and Liabilities

(Rs. in Crore)

	Particulars	Consolidated		Standalone	
		Sept 30, 2023	Mar 31, 2023	Sept 30, 2023	Mar 31, 2023
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
A	Assets				
I.	Non-current assets				
	Property, plant and equipment	1,699.76	1,039.89	618.67	625.83
	Capital work-in-progress	263.75	433.77	91.93	44.91
	Right-of-use assets	173.05	176.06	66.51	67.04
	Goodwill	3.03	3.03	-	-
	Other intangible assets	23.36	29.19	16.19	20.93
	Investments in subsidiaries			892.93	780.21
	Investments in associates	15.73	16.37	16.50	16.50
	Financial assets:				
	(a) Investments	347.90	216.84	423.47	289.30
	(b) Trade receivables	108.86	114.50	108.43	112.94
	(c) Loans	5.02	4.66	6.37	2.68
	(d) Finance lease receivables	135.96	117.64	-	-
	(e) Other assets	43.26	65.71	7.30	10.16
	Deferred tax assets (net)	97.42	108.62	55.11	47.86
	Income tax assets (net)	251.59	219.64	182.35	172.18
	Other assets	175.99	212.53	48.43	50.53
	Sub-total - Non-current assets	3,344.68	2,758.45	2,534.19	2,241.07
II.	Current assets				
	Inventories	757.14	755.63	414.80	390.78
	Financial assets:				
	(a) Investments	1,359.36	1,392.87	1,060.22	1,183.88
	(b) Trade receivables	1,837.39	1,762.06	1,286.76	1,210.22
	(c) Cash and cash equivalents	327.04	452.82	75.24	120.82
	(d) Bank balances other than (c) above	670.57	678.76	183.57	287.66
	(e) Loans	0.96	2.46	177.08	171.87
	(f) Finance lease receivables	23.19	22.83	-	-
	(g) Other assets	452.96	527.64	204.29	216.48
	Income tax assets (net)	3.36	1.19	-	-
	Other assets	528.56	476.00	364.46	322.00
	Sub-total - Current assets	5,960.53	6,072.26	3,766.42	3,903.71
III.	Assets classified as held for sale	7.90	7.90	6.53	6.53
	Total Assets	9,313.11	8,838.61	6,307.14	6,151.31
B	Equity and Liabilities				
I.	Equity				
	Equity share capital	22.52	22.52	23.83	23.83
	Other equity	3,966.16	3,845.55	3,181.64	3,193.93
	Equity attributable to equity share holders of parent company	3,988.68	3,868.07	3,205.47	3,217.76
	Non controlling interest	4.09	2.15		
	Sub-total - Equity	3,992.77	3,870.22	3,205.47	3,217.76
II.	Non-current liabilities				
	Financial liabilities:				
	(a) Borrowings	677.96	422.52	-	-
	(b) Lease liabilities	13.35	14.74	2.47	2.51
	(c) Trade payables	38.20	30.75	40.08	34.45
	(d) Other liabilities	38.42	28.24	0.08	-
	Provisions	39.71	38.40	22.48	24.08
	Deferred tax liabilities (net)	4.00	2.91	-	-
	Other liabilities	23.93	21.64	-	-
	Sub total - Non-current liabilities	835.57	559.20	65.11	61.04
III.	Current liabilities				
	Financial liabilities:				
	(a) Borrowings	377.57	388.02	274.80	220.00
	(b) Lease liabilities	4.96	5.25	1.62	1.66
	(c) Trade payables				
	Total outstanding dues of micro and small enterprises	500.99	518.02	324.66	347.28
	Total outstanding dues of creditors other than micro and small enterprises	945.93	979.84	688.44	690.80
	(d) Other liabilities	159.96	145.05	82.21	88.65
	Other liabilities	2,201.54	2,144.86	1,478.30	1,394.05
	Provisions	272.31	203.71	171.03	111.58
	Income tax liabilities (net)	21.51	24.44	15.50	18.49
	Sub total - Current liabilities	4,484.77	4,409.19	3,036.56	2,872.51
	Total Equity and Liabilities	9,313.11	8,838.61	6,307.14	6,151.31

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Statement of unaudited financial results for the quarter and half year ended September 30, 2023

Notes to the financial results:

1. These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 03, 2023.

2. Statement of Cash flow for the half year ended as at September 30, 2023

(Rs. in Crore)

	Particulars	Consolidated		Standalone	
		Sept 30, 2023	Sept 30, 2022	Sept 30, 2023	Sept 30, 2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
A)	Cash flows from operating activities				
	Profit before tax (after exceptional item and share of profit/ (loss) of associates)	308.94	223.76	161.80	145.60
	Less: Share of (loss) of associates	(0.64)	(0.29)	-	-
	Profit before tax (after exceptional items and before share of profit/ (loss) of associates)	309.58	224.05	161.80	145.60
	Adjustments to reconcile profit before tax to net cash flows				
	Depreciation/Amortization on Property, plant and equipment (PPE), Right of use assets (ROU)	59.71	54.38	32.84	33.24
	Amortization of intangible assets	2.65	3.97	2.44	3.06
	Provision for impairment allowance of financial assets (net)	22.03	16.82	17.10	8.84
	Provision for advance (net)	1.08	(0.08)	-	(0.08)
	Provision on account of impairment of investments in subsidiaries			73.41	-
	Provision related to litigation	50.63	-	50.63	-
	Interest expense	27.55	7.54	8.03	3.91
	Unwinding of discount on provisions	5.63	7.01	2.90	4.24
	Unrealized foreign exchange (gain) / loss	(0.49)	(8.67)	(0.52)	(2.53)
	Interest income	(47.46)	(31.70)	(37.83)	(21.78)
	Dividend income	-	-	-	(5.63)
	Liabilities no longer required written back	(5.95)	(8.19)	(5.69)	(6.72)
	Fair value gain on financial instrument at fair value through profit and loss (net)	(37.53)	(11.74)	(33.71)	(9.84)
	Loss/ (Profit) on sale / discard of assets (net)	0.28	0.75	(0.12)	1.06
	Employee share based payment expense	2.26	1.07	1.50	0.87
	Working capital adjustments				
	(Increase)/ decrease in trade receivables	(89.71)	(115.95)	(88.69)	(79.50)
	(Increase)/ decrease in inventories	(1.51)	44.27	(24.02)	(13.16)
	(Increase)/ decrease in other financial assets/lease receivable	52.39	(141.26)	11.88	(90.47)
	(Increase)/ decrease in other assets	(59.77)	(31.38)	(44.67)	(17.61)
	(Decrease)/ increase in trade payables	(37.58)	(97.99)	(12.81)	12.36
	(Decrease)/ increase in other liabilities	38.40	294.85	63.71	260.99
	(Decrease)/ increase in provisions	13.66	(15.85)	4.33	(11.98)
	(Decrease)/ increase in other financial liabilities	(17.63)	(1.88)	(20.58)	(9.73)
	Cash generated from operations	288.22	190.02	161.93	205.14
	Direct taxes paid (net of refunds received)	(113.61)	(64.18)	(72.71)	(50.47)
	Net cash inflow from operating activities	174.61	125.84	89.22	154.67
B)	Cash flows (used in) / from investing activities				
	Purchase of property, plant and equipment, Right of use of assets (ROU) and intangible assets (net of disposal)	(452.52)	(102.71)	(35.51)	(30.04)
	Loans given to subsidiaries (net of repayments)			(7.44)	(43.00)
	Investment in subsidiaries			(184.31)	(55.85)
	Investment in associate	-	(10.00)	-	(10.00)
	Investment in fixed deposits, mutual funds, bonds, etc. (net)	(19.77)	37.33	153.11	(39.17)
	Interest received	42.60	17.10	11.96	13.78
	Net cash flows (used in) investing activities	(429.69)	(58.28)	(62.19)	(164.28)
C)	Cash flows (used in) / from financing activities				
	Proceeds from exercise of share options	0.01	-	-	-
	Proceeds from borrowings (net of repayments)	221.77	110.34	54.80	90.00
	Interest paid	(27.00)	(7.03)	(8.03)	(3.91)
	Dividend paid	(112.93)	(101.35)	(119.30)	(107.25)
	(Payment) of lease liability	(1.68)	0.22	(0.08)	(0.06)
	Transactions with non-controlling interests	24.28	-		
	Proceeds from issuance of shares to non-controlling interest	-	4.63		
	Net cash flows from/ (used in) financing activities	104.45	6.81	(72.61)	(21.22)
	Net increase / (decrease) in cash and cash equivalents	(150.63)	74.37	(45.58)	(30.83)
	Cash and cash equivalents at the beginning of the period	447.73	303.44	120.82	121.26
	Exchange differences on translation of foreign operations	1.54	(0.42)	-	-
	Cash and cash equivalents at the end of the period	298.64	377.39	75.24	90.43
	Reconciliation of cash and cash equivalents as per the cash flow statement:				
	Cash and cash equivalents	327.04	377.39	75.24	90.43
	Bank overdraft	(28.40)	-	-	-
	Balances as per Cash flow statement	298.64	377.39	75.24	90.43

Statement of unaudited financial results for the quarter and half year ended September 30, 2023

2 Segment information as per Ind AS 108 'Operating segments' for consolidated financial results* :

(Rs. in Crore)

*During the quarter and year ended March 31, 2023, the management has taken a decision to realign the disclosure related to Ind AS 108 'Operating Segments'. This is to align the disclosures in line with allocation of resources and assessment of business performance by the Managing Director and CEO i.e. Chief Operating Decision Maker.

(Rs. in Crore)

Particulars	Standalone					
	Quarter ended			Half year ended		Year ended
	Sept 30, 2023	June 30, 2023	Sept 30, 2022	Sept 30, 2023	Sept 30, 2022	Mar 31, 2023
<u>I. Reversal/ (provision) of impairment of investment in subsidiaries</u>						
Thermax Cooling Solutions Limited	-	-	-	-	-	10.20
Thermax Engineering Singapore Pte. Ltd. (related to step down subsidiaries)*	(73.41)	-	-	(73.41)	-	(3.00)
<u>II. Provision related to litigation (refer note below)</u>	-	(50.63)	-	(50.63)	-	
Total	(73.41)	(50.63)	-	(124.04)	-	7.20

*Considering the current market scenario and performance of subsidiary, the Holding Company has accounted for provision for impairment of investment in subsidiary.

Note: The Company received an Arbitral Award against the Company for repair, payment of damages, etc. for breakdown of third party Gas Turbo - Generators (GTGs) for a customer project on June 5, 2023 currently estimated at Rs. 218.45 crores including interest. As per the Award, the Company was directed to repair and reinstate the GTGs under the defect liability obligation. Pursuant to an independent legal opinion, the Company had made a provision of Rs. 50.63 crores and for the balance amount, no provision had been considered necessary.

During the quarter, the Company filed an application before the High Court of Bombay to set aside the said Award and received an order dated October 4, 2023 wherein a stay of operation and execution of the Arbitral Award has been granted, subject to the Company depositing an amount of Rs. 218.45 crores which is returnable with interest in the event the Award is set aside by the Court. The matter is also listed for final hearing on January 15, 2024. Pursuant to the stay order, the Company has deposited Rs. 218.45 crores.

The Company is reasonably confident of the issue being ultimately decided in its favour.

For Thermax Limited

Place: Pune

Date: November 03, 2023

Mrs. Meher Pudumjee
Chairperson