



# DIRECTORS' REPORT

## Dear Shareholder,

Your Directors have pleasure in presenting the 43<sup>rd</sup> Annual Report on the business and operations of the Company, together with the audited financial statements of your Company for the year ended March 31, 2024.

## Financial Results

(Rs. in crore)

Particulars	Standalone		Consolidated	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Total revenue	5,821.93	5,141.16	9,323.46	8,089.81
Profit before finance cost, depreciation and tax	674.56	517.02	1,029.96	757.74
Finance cost and depreciation	96.58	92.73	235.67	154.45
Profit before tax and exceptional items	577.98	424.29	793.47	603.06
Exceptional items	2.08	7.20	75.49	-
Profit before tax but after exceptional items	580.06	431.49	868.96	603.06
Provision for taxation (incl. deferred tax)	142.62	102.23	225.77	152.36
Profit after tax	437.44	329.26	643.19	450.70
Other comprehensive income	(4.21)	(7.78)	(8.87)	0.19
Total comprehensive income	433.23	321.48	634.32	450.89
Total equity	3,536.70	3,217.76	4,439.80	3,868.07
Earnings Per Share (EPS) (Rs.) face value per share Rs. 2/- from continuing operations	36.71	27.63	57.30	39.98
Earnings Per Share (EPS) (Rs.) face value per share Rs. 2/- from continuing and discontinuing operations	36.71	27.63	57.30	39.98

## Result of Operations and the State of Affairs

### Standalone

Your Company, on a standalone basis, posted a revenue of Rs. 5,822 crore for the FY 2023-24, against last year's revenue of Rs. 5,141 crore. Revenue from exports was up 12.7% at Rs.1,077 (Rs. 1,053 crore). Order booking from continuing operations stood at Rs. 5,751 crore, higher by 8.4% as compared to Rs. 5,307 crore in the previous year.

### Consolidated

On a consolidated level, the group revenue was at Rs. 9,323 crore (Rs. 8,090 crore). The Group's international business was higher by 5.3% at Rs. 2,048 crore (Rs. 2,041 crore). Consolidated order booking for FY 2023-24 increased by 6.4% to Rs. 9,355 crore

(Rs. 8,788 crore). Order booking in international markets at Rs. 2,087 crore was higher by 1.1%.

## Material Changes and Commitments

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year and the date of this report.

## Credit rating

Your Company has been rated 'AA+/ Stable (Reaffirmed) for Long Term Rating and A1+ (Reaffirmed) for Short Term Rating' by Credit Rating Information Services of India Limited (CRISIL) for its banking facilities. The rating reflects your Company's continued good parentage, credit profile, liquidity position, strong corporate governance practices, financial flexibility and conservative financial policies.

## Dividend

The Board of Directors have recommended a dividend of Rs.12/- (600%) per equity share of face value of Rs. 2/- each for the year ended March 31, 2024. The dividend is subject to the approval of members at the ensuing Annual General Meeting (AGM).

In accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company has adopted the Dividend Distribution Policy, which is made available on the Company's website and can be accessed using the link: <https://www.thermaxglobal.com/wp-content/uploads/2020/03/DIVIDEND-DISTRIBUTION-POLICY.pdf>

## Transfer to Reserve

The closing balance of the retained earnings of the Company for FY 2023-24, after all appropriation and adjustments, was Rs. 2,963.25 crore on standalone basis and Rs. 3,710.64 crore on a consolidated basis. During the year, the Company has not transferred any amount to the General Reserve.

## Share Capital

The paid-up equity share capital of the Company was Rs. 23.83 crore as on March 31, 2024. There were no public or preferential rights or bonus issued during the year. The Company has not issued any shares with differential voting rights, sweat equity shares. The details of ESOP granted during the year are provided on the website of the Company.

## Statement of Deviation(s) or Variation(s) in Share Capital

During the year under review, there was no instance to report Statement of Deviation(s) or Variation(s) in share capital as per Regulation 32 of Listing Regulations.

## Subsidiaries

In accordance with Section 136 of the Act, the Annual Report of your Company containing inter alia, financial statements and consolidated financial statements, has been placed on our website: <https://www.thermaxglobal.com/annual-reports/> which can be accessed using the above link.

Further, the financial statements of the subsidiaries have also been placed on our website: <https://www.thermaxglobal.com/subsidiary-annual-report/>

The report on the growth trends and outlook of those subsidiaries which impact your Company's performance

reasonably are captured in the Management Discussion and Analysis section of this report.

## Changes in Subsidiaries during the Year

Through its wholly owned subsidiary, First Energy Private Limited (FEPL), the Company has established below step-down subsidiaries for undertaking renewable energy projects in different states of India:

Name of Subsidiary	Date of Incorporation
First Energy 8 Private Limited	August 10, 2023
First Energy Nine Private Limited	February 1, 2024
First Energy 10 Private Limited	March 23, 2024

During the year, Thermax Onsite Energy Solutions Limited (TOESL), a wholly owned subsidiary of the Company completed acquisition of 100% stake in Thermax Energy & Environment Lanka Private Limited (TEELK), previously a wholly owned subsidiary of Thermax Engineering Singapore Pte Limited. However, TEELK continues to be a stepdown subsidiary of the Company.

During the year, the Company has executed Share Purchase and Share Subscription Agreement (SHA) on February 06, 2024 for acquisition of 100% equity share capital of TSA Process Equipments Private Limited in one or more tranches.

The Hon'ble National Company Law Tribunal has approved the Scheme of Arrangement between Thermax Cooling Solutions Limited (TCSL/Demerged Company) and Thermax Instrumentation Limited (TIL/Resulting Company), wholly owned subsidiaries of the Company, under Sections 230 to 232 read with Section 66 of the Companies Act, 2013. Pursuant to this order, Cooling Business of TCSL has been demerged with TIL.

The Hon'ble National Company Law Tribunal has approved liquidation of Thermax Sustainable Energy Solutions Limited.

## Management Discussion and Analysis

The Management Discussion and Analysis section highlighting the performance of the Company's Industrial Products, Industrial Infra, Green Solutions and Chemicals, including details of select subsidiaries, information on the Company's health, safety and environment measures, human resources, risk management and internal controls, is given on page no. 105.

## Corporate Governance Report

A detailed report on Corporate Governance as per Listing Regulations and disclosures required as per section 134 and 177 of the Companies Act, 2013, is attached as Annexure 1 on page no. 118.



A certificate from M/s. SVD & Associates, Practising Company Secretaries, Pune, regarding compliance with the conditions of corporate governance as required under Schedule V of the Listing Regulations forms part of this Report.

## Change in Object Clause of Memorandum of Association (MoA)

The Board of Directors of the Company at its meeting held on May 10, 2024, has approved amendments to the Object Clause of the MoA of the Company, subject to shareholders approval. The said proposal forms part of the Notice of the 43<sup>rd</sup> AGM of the Company.

## Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

## Business Responsibility and Sustainability Reporting (BRSR)

In terms of the Listing Regulations, Business Responsibility and Sustainability Report including BRSR core indicators describing the initiatives undertaken by the Company from environmental, social and governance perspectives is enclosed as Annexure 2 on page no. 144. PWC has provided a limited assurance report on core BRSR indicators.

## Vigil Mechanism/Whistleblower Policy

The Company has a 'Whistleblower Policy' as a part of the vigil mechanism to deal with instances of fraud and mismanagement, if any. The details of the policy are provided in the Corporate Governance Report and also available on the website of the Company: <https://www.thermaxglobal.com/wp-content/uploads/2021/08/Thermax-Ltd.-Whistleblower-Policy-.pdf>

## Industrial Relations

The overall Industrial Relations at all the manufacturing locations was peaceful during the financial year 2023-24.

## Human Resources Management

### 1. Particulars of Employees

The total number of permanent employees on the rolls of the Company as on March 31, 2024, was 2,843 compared to 2,572 employees in the previous year. At the group level, the total number

of permanent employees are 5,225 compared to 4,818 employees in the previous year.

The information required pursuant to section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, duly amended, in respect of employees of the Company, forms part of Annexure A to this Board's report and information required pursuant to Rule 5(2) will be provided upon request.

In terms of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to all the members and others entitled to receive it. Any shareholder interested in obtaining such particulars may write to the Company Secretary.

### 2. Anti-Sexual Harassment Policy/Internal Committee

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy. To build awareness in this area, the Company has been carrying out online induction/refresher programmes across the organisation on a periodic basis.

An Internal Committee (IC) has been set up to redress complaints received regarding sexual harassment at workplace under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

There was one complaint received and resolved during the financial year 2023-24.

### Disclosure pursuant to Section 197(14) of the Companies Act, 2013, and Rules made thereunder

The Managing Director and CEO of the Company is not in receipt of any remuneration and/or commission from any Holding / Subsidiary Company, as the case may be.

### Details of Trusts for the Benefit of Employees

#### a) ESOP Trust

The Company has a Thermax Employees ESOP & Welfare Trust which holds 29,00,362 equity shares of Rs. 2/- each of the Company.

The trust has not entered into any transaction of buying or selling of shares in the secondary market.

## **Thermax Employee Stock Option Scheme 2021**

With a view to motivate the key workforce, seeking their contribution to the corporate growth, to create an employee ownership culture, to attract new talents and to retain them for ensuring sustained growth, your Company has implemented an employee stock option plan namely 'Thermax Limited Employee Stock Option Plan 2021' ("ESOP 2021"/ "Plan") covering the employees of the Company and its Group Companies including subsidiary and its associate companies.

The scheme was approved by the shareholders through postal ballot on January 13, 2022, with requisite majority.

During the year under review, the Nomination and Remuneration Committee (NRC) and the Board of Directors of your Company, have approved grant of stock options to employees under ESOP 2021.

There were no material changes made in the ESOP 2021 during the year. The above-mentioned Scheme is in compliance with the SEBI (Share-Based Employee Benefits & Sweat Equity) Regulation, 2021 (SBEB Regulations, 2021). No employee was issued stock options during the year equal to or exceeding 1% of the issued capital of the Company at the time of grant. Your Company's Secretarial Auditor, M/s. SVD & Associates, Practising Company Secretaries, Pune, has certified that the Company's above-mentioned Scheme has been implemented in accordance with the SBEB Regulations, 2021.

In line with regulation 14 of the SBEB Regulations, 2021, a statement giving complete details, as at March 31, 2024, is available on the website of the Company: <https://www.thermaxglobal.com/thermax-disclosures-under-sebi-sbeb-regulations/>

### **b) Employee Welfare Trusts**

The Company has various Employee Welfare Trusts primarily for providing medical, housing and educational aid to its employees and their families. These trusts presently hold 36,35,190 equity shares of Rs. 2/- each of the Company. None of the trusts had any dealings in the secondary market.

In line with regulation 14 of the SBEB Regulations, 2021, a statement giving complete details, as at March 31, 2024, is available on the website of the Company: <https://www.thermaxglobal.com/thermax-disclosures-under-sebi-sbeb-regulations/>

## **Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo**

The information on the 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 provided as Annexure 3 on page no. 185.

## **Corporate Social Responsibility Initiatives**

As a part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken project in the area of education. The project is in accordance with Schedule VII of the Companies Act, 2013. Since 2007, CSR initiatives have been undertaken through Thermax Foundation, the details of CSR activities are provided under CSR Activities and CSR Policy on page no. 50.

The Annual Report on CSR Activities is provided as Annexure 4 on page no. 188.

The details of the CSR Committee and CSR Policy are available on the Company's website: <https://www.thermaxglobal.com/corporate-governance-policies-and-disclosures/>

## **Directors and Key Managerial Personnel**

The Board of Directors of your Company comprises of 10 directors, viz., two non-executive directors, one executive director and seven independent directors, including one independent woman director as on March 31, 2024. As per the articles of association of the Company, one-third of the directors, other than independent directors and Chairperson, are liable to retire by rotation at the AGM of the Company every year.

Mrs. Rajani Kesari (DIN: 02384170) was re-appointed as Independent Director of the Company for a term of 5 (five) consecutive years commencing from November 14, 2023 to November 13, 2028 (both days inclusive).

Basis the recommendation of Nomination and Remuneration Committee, the Board at its meeting held on October 17, 2023, approved the appointment of Mr. Shyamak R. Tata (DIN: 07297729) as Additional, Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years with effect from October 17, 2023 to October 16, 2028 (both days inclusive). The justification of Board on Mr. Tata's appointment forms part of the Postal Ballot Notice dated October 17, 2023. The members approved the



appointment of Mr. Tata by passing a special resolution vide postal ballot on January 06, 2024.

Pursuant to Regulation 17(1D) of the Listing Regulations, approval of members in AGM of the Company will be required for any director who has been serving on the Board of listed entity as on March 31, 2024 for last five years or more. Accordingly approval of members is being sought to continue the directorship of Mrs. Meher Pudumjee (DIN: 00019581), Non-Executive Director of the Company for a period of 5 (five) consecutive years commencing from April 01, 2024 to March 31, 2029 (both days inclusive). Considering the performance evaluation and based on recommendations of the Nomination and Remuneration Committee, the Board has approved and recommended continuation of Mrs. Pudumjee as a Non-Executive Director for a term of five consecutive years commencing from April 01, 2024 to March 31, 2029 (both days inclusive), subject to approval of shareholders at the ensuing Annual General Meeting (AGM) of the Company.

Further, in accordance with the provisions of the Companies Act, 2013, and the Company's Article of Association, Mr. Ashish Bhandari (DIN: 05291138), retires by rotation and being eligible offers himself for re-appointment. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors recommends his re-appointment.

Mr. Nawshir Mirza and Dr. Jairam Varadaraj will be completing their tenure as Non-Executive, Independent Directors of the Company on July 21, 2024. The Board of Directors place on record appreciation for the valuable contributions made by Mr. Mirza and Dr. Varadaraj during their tenure.

The above proposals forms part of the Notice of the 43<sup>rd</sup> AGM of the Company.

The Company has received the necessary declarations from all the directors as required under the Companies Act, 2013 and the Listing Regulations.

## Board and Independent Directors' Meeting

A calendar of meetings is prepared and circulated in advance to the directors. During the year, seven Board Meetings were convened and held, the details of which are given in the Corporate Governance Report.

For the FY 2023-24, one meeting of the independent directors was held on February 10, 2024.

## Familiarisation Programme

The Company has formulated a policy on 'Familiarisation Programme for Independent Directors', which is available

on the Company's website: <https://www.thermaxglobal.com/corporate-governance-policies-and-disclosures/>.

## Committees of the Board

The details of all committees and their terms of reference are set out in the Corporate Governance Report.

## Key Managerial Personnel

During the year under review, there were no changes in the key managerial personnel of the Company.

## Remuneration Policy

The Remuneration Policy details for selection, appointment and remuneration of directors and senior management are given in the Corporate Governance Report, and the said policy is available on the Company's website: <https://www.thermaxglobal.com/wp-content/uploads/2020/03/Policy-on-Selection-and-Appointment-of-Directors-and-their-Remuneration.pdf>

## Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, and Listing Regulations, annual evaluation of performance of the Board, its Committees and individual directors was carried out through an external agency. Recommendations arising from this entire process were deliberated upon by the Board to be used constructively in order to enhance its overall effectiveness.

## Board Diversity

The Company recognises and embraces the importance of a diverse Board for its success. Your Company believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical backgrounds, age, ethnicity, race and gender that will help in retaining its competitive advantage. The Board Diversity Policy adopted by the Board outlines its approach to diversity. The policy is available on the website: <https://www.thermaxglobal.com/wp-content/uploads/2021/04/Board-Diversity-Policy.pdf>

## Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

- a) In the preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards have been followed along with

proper explanation relating to material departures, if any;

- b) Appropriate accounting policies have been selected, applied consistently and judgement and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2024, and of the profit of the Company for the year ended on that date;
- c) 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 internal financial controls were in place and the financial controls were adequate and operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Please refer to the Internal Controls section of the Management Discussion and Analysis for further details.

### **Details Regarding Frauds Reported by Auditors under Section 143(12)**

The Company has received a few whistle-blower complaints during the last quarter of the year for which final outcome are pending. Based on the initial reviews performed, the management does not believe that these allegations will result in having a material impact on these financial statements or the internal controls over financial reporting process as on March 31, 2024. Also refer to note no. 44 of the Standalone Financial Statements.

### **Related Party Transactions**

All related party transactions entered into during the financial year were at arm's length basis and were in the ordinary course of business. There were 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. Hence disclosure of particulars of contracts or arrangements with related parties referred to in sub-Section (1) of Section 188 in the prescribed form AOC 2 is not required.

All related party transactions are placed before the Audit Committee. Prior omnibus approval of the Audit Committee is obtained annually for transactions that are foreseeable and repetitive. The transactions entered pursuant to the omnibus approval so granted along with the statement giving details of all related-party transactions are placed before the Audit Committee for their approval on a quarterly basis.

Pursuant to the latest amendments by the SEBI, the Company has adopted the revised policy on Related Party Transactions which is available on the Company's website: <https://www.thermaxglobal.com/wp-content/uploads/2023/03/RPT-Policy.pdf>

None of the directors have any pecuniary relationships or transactions vis-à-vis the Company except as disclosed under Sr. No. 2 of the Corporate Governance Report.

### **Standalone and Consolidated Financial Statements**

The financial statements for the year ended March 31, 2024, have been prepared as per Schedule III to the Companies Act, 2013, as amended from time to time. The consolidated financial statements of the Group are prepared in compliance with the Accounting Standards and Listing Regulations. The cash flow for the year is attached to the balance sheet. A separate statement containing the salient features of subsidiaries and joint ventures in the prescribed Form (AOC-1) is available on page no. 298.

### **Public Deposits**

During the year, your Company has not accepted deposits from the public, and as such no principal or interest was outstanding as on March 31, 2024, as per the provisions of the Companies Act, 2013 and the Rules framed thereunder.

### **Particulars of Loans, Guarantees or Investments**

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in the notes to the financial statements.

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan to persons in the employment of the Company including its directors or key managerial personnel, in order to purchase or subscribe shares of the Company.



## Significant and Material Orders Passed by the Regulators or Courts

There are no significant material orders passed by the regulators and courts, which would impact the going concern status of the Company.

## The Insolvency And Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

There was no instance of one-time settlement with any bank or financial institution during the year under review.

## Internal Audit

The internal audit at Thermax Group is carried out by the in-house Internal Audit Department with co-sourcing support. For scope determination, planning the audit and conducting reviews, the Internal Audit Department has been consistently following an audit cycle of July to June every year, which ensures review of transactions included in financial year April to March. The internal audit is risk based with a focus on controls for management of risks. The directors consider this approach to meet the desired purpose of Internal Audit.

## Internal Financial Control Systems and their Adequacy

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis section, which is a part of this report.

## Risk Management

The Board of Directors of the Company have formed a Risk Management Committee to assess the risks facing the business and the mitigation measures taken thereof. The committee is responsible for assisting the Board in understanding existing risks and reviewing the mitigation and elimination plans for those. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically bifurcated between the committees of the Board and addressed through mitigating actions on a continued basis.

## Auditors

### Statutory Auditors

M/s. SRBC & Co. LLP, Chartered Accountants, were appointed as the statutory auditors for a period of five years commencing from the 39<sup>th</sup> AGM until the conclusion of the 44<sup>th</sup> AGM.

In accordance with the Companies Amendment Act, 2017, enforced on May 7, 2018, by the Ministry of Corporate Affairs, the appointment of statutory auditors is not required to be ratified at every AGM.

As required under the Listing Regulations, M/s. SRBC & Co. LLP, the auditors have confirmed their eligibility and they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors are set out in the Corporate Governance Report.

The Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

### Cost Auditors

In terms of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, M/s. Dhananjay V. Joshi & Associates, Cost Accountants, Pune, have been appointed as the cost auditors of the Company for FY 2023-24.

The maintenance of cost records as specified under Section 148 of the Act is applicable to the Company, and accordingly, all the cost records are made and maintained by the Company and audited by the cost auditors.

The Cost Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

### Secretarial Audit

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, Practising Company Secretaries, Pune, to undertake the secretarial audit of the Company for FY 2023-24. The Secretarial Audit Report for FY 2023-24 is attached as Annexure 5 on page no. 190

The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

## Annual Return

The Annual Return of the Company for the FY 2023-24 to be filed with Registrar of Companies is available on website of the Company at <https://www.thermaxglobal.com/annual-returns/>.

Since the Annual General Meeting is proposed to be held on August 1, 2024, the Company shall upload final copy of



the Annual Return for FY 2023-24, once the same is filed with the Registrar of Companies.

Disclosures as required under clause 5A of Para A of Part A of Schedule III of Listing Regulations are given in Corporate Governance Report attached as Annexure 1 to this Report.

### **Awards and Recognition**

Your Company is proud to have received various awards during the year. Details of the awards received during the year are given on page no. 22.

### **Acknowledgements**

Your directors place on record their appreciation for the continued support extended during the year by the

Company's customers, business associates, suppliers, bankers, investors and government authorities. They also place on record their appreciation for the dedication and value-added contribution made by all the employees.

Your directors would also like to thank all the shareholders for continuing to repose faith in the Company and its future.

**For and on behalf of the Board,**

**Meher Pudumjee**

Chairperson

(DIN: 00019581)

Pune, May 10, 2024





## Annexure A to the Board's Report

**Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014****A. Ratio of remuneration and details of percentage increase in the remuneration of each Director and KMPs in the financial year 2023-24 are as follows:**

Name	DIN	Designation	Increase/ decrease (%)	Ratio of remuneration of Director to the Median remuneration for 2023-24 (MRE)
Meher Pudumjee	00019581	Chairperson and Non-Executive Director	1.45	5.61
Pheroz Pudumjee	00019602	Non-Executive Director	-9.36	3.10
Dr. Jairam Varadaraj	00003361	Independent Director	-1.02	2.91
Nawshir Mirza	00044816	Independent Director	1.63	5.00
Harsh Mariwala	00210342	Independent Director	-3.34	2.89
Dr. S. B. (Ravi) Pandit	00075861	Independent Director	0.37	2.71
Rajani Kesari	02384170	Independent Director	11.58	2.89
Dr. Ravi Gopinath	00803847	Independent Director	112.24	3.12
Shyamak R. Tata (Appointed w.e.f October 17, 2023)	07297729	Independent Director	NA*	NA*
Ashish Bhandari	05291138	Managing Director and CEO	29.50	116.92
Rajendran Arunchalam	NA	Group CFO	22.88	21.88
Janhavi Khele	NA	Company Secretary	7.33	4.68

Note -

\*The % increase of remuneration is provided only for those directors and KMP who have drawn remuneration from the Company for full fiscal 2024 and full fiscal 2023. The ratio of remuneration to MRE is provided only for those directors and KMP who have drawn remuneration from the Company for the full fiscal 2024.

The remuneration of all non-executive directors includes sitting fees paid.

The median remuneration of the Company for all its employees is 10,00,012 for the financial year 2023-24. For calculation of median remuneration, the employee count taken is 3,892 for FY 2023-24.

**B. Percentage increase in the Median Remuneration of all employees in the financial year 2023-24**

	FY23-24	FY22-23	% Change
Percentage increase in the median remuneration of all employees	1,000,012	890,014	12.36

**c. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Particulars	Average percentage increase / (decrease) in salaries for FY 2024* (%)
Employees	20.9
Managerial remuneration	29.5

\*Remuneration considered is at actual basis

**D. Affirmation**

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the directors, key managerial personnel and senior management is as per the Company's Policy on Nomination, Remuneration & Evaluation.