

Boilerworks Properties ApS

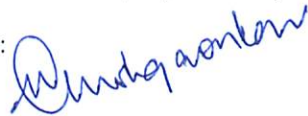
Industrivej Nord 13, Birk, 7400 Herning

CVR no. 35 22 67 61

Annual report 2015/16

Approved at the Company's annual general meeting on 19 May 2016

Chairman:



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Hemant Prabhakar Mohgaonkar

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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 2015 - 31 March 2016.

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 2016 and of the results of the Company's operations for the financial year 1 April 2015 - 31 March 2016.

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, 19 May 2016
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 2015 - 31 March 2016. 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 2016 and of the results of its operations for the financial year 1 April 2015 - 31 March 2016 in accordance with the Danish Financial Statements Act.

Independent auditors' report

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, 19 May 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



John Lesbo
State Authorised
Public Accountant



Birgitte Nygaard Jørgensen
State Authorised
Public Accountant

Management's review

Company details

Name	Boilerworks Properties ApS
Address, Zip code, city	Industrivej Nord 13 DK-7400 Herning
CVR no.	35 22 67 61
Established	12 April 2013
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

Management's review

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 company is ARA Trusteeship Company Private Limited (holding shares in Trust), Pune, India, which holds the majority through the listed company Thermax Ltd., Pune, India.

Development in activities and financial matters

Management considers profit for the year, DKK 1,364 thousand as satisfactory.

Future outlook

Satisfactory results are expected for the financial year 2016/17.

Events after the balance sheet date

No events have occurred after the balance sheet date which may materially affect the Company's financial position.

Financial statements for the year 1 April 2015 - 31 March 2016

Income statement

Note	DKK'000	2015/16	2014/15
	Gross profit	1,902	2,002
5	Impairment losses and depreciation	-125	-124
	Operating profit	1,777	1,878
2	Financial income	9	75
3	Financial expenses	-3	-39
	Profit before tax	1,783	1,914
4	Tax on profit for the year	-419	-468
	Profit for the year	<u>1,364</u>	<u>1,446</u>
	Proposed profit appropriation		
	Proposed dividends	0	2,000
	Retained earnings	1,364	-554
		<u>1,364</u>	<u>1,446</u>

Financial statements for the year 1 April 2015 - 31 March 2016

Balance sheet

Note	DKK'000	<u>2015/16</u>	<u>2014/15</u>
	ASSETS		
	Non-current assets		
5	Property, plant and equipment		
	Land and buildings	4,216	4,293
	Total non-current assets	<u>4,216</u>	<u>4,293</u>
	Current assets		
	Receivables		
	Amount owed by group enterprises	155	1,156
		<u>155</u>	<u>1,156</u>
	Cash at bank and in hand	237	465
	Total current assets	<u>392</u>	<u>1,621</u>
	TOTAL ASSETS	<u><u>4,608</u></u>	<u><u>5,914</u></u>

Financial statements for the year 1 April 2015 - 31 March 2016

Balance sheet

Note	DKK'000	2015/16	2014/15
	EQUITY AND LIABILITIES		
6	Equity		
	Share capital	80	80
	Contributed premium	920	920
	Retained earnings	2,144	780
	Dividends proposed for the year	0	2,000
	Total equity	3,144	3,780
	Provisions		
	Provisions for deferred tax	1	6
	Total provisions	1	6
	Liabilities		
	Current liabilities other than provisions		
	Amounts owed to group companies	1,332	1,969
	Other payables	131	159
	Total liabilities	1,463	2,128
	TOTAL EQUITY AND LIABILITIES	4,608	5,914
1	Accounting policies		
7	Charges, collateral and contingencies, etc.		
8	Related party - ownership		

Financial statements for the year 1 April 2015 - 31 March 2016

Notes to the financial statements

1 Accounting policies

The annual report of Boilerworks Properties ApS for 2015/16 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 Section 32 in the Danish Financial Statements Act.

Financial statements for the year 1 April 2015 - 31 March 2016

Notes to the financial statements

1 Accounting policies (continued)

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 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 30 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.

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.

Financial statements for the year 1 April 2015 - 31 March 2016

Notes to the financial statements

1 Accounting policies (continued)

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.

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.

Financial statements for the year 1 April 2015 - 31 March 2016

Notes to the financial statements

DKK'000		2015/16	2014/15			
2	Financial income					
	Interest income, group enterprises	9	75			
	Total financial income	9	75			
3	Financial expenses					
	Interest expense, group enterprises	3	39			
	Total financial expenses	3	39			
4	Tax on profit for the year					
	Joint taxation contribution for the year	425	460			
	Adjustment of deferred tax assets	-6	8			
		419	468			
5	Property, plant and equipment					
	DKK'000		Land and buildings			
	Cost at 1 April 2015		4,575			
	Additions		48			
	Disposals		0			
	Cost at 31 March 2016		4,623			
	Impairment losses and depreciation at 1 April 2015		-282			
	Impairment losses and depreciation for the year		-125			
	Impairment losses and depreciation at 31 March 2016		-407			
	Carrying amount at 31 March 2016		4,216			
6	Equity					
	DKK'000	Share capital	Contributed premium	Retained earnings	Dividends proposed for the year	Total
	Equity at 1 April 2015	80	920	780	2,000	3,780
	Retained profit for the year	0	0	1,364	0	1,364
	Paid dividends	0	0	0	-2,000	-2,000
		80	920	2,144	0	3,144

Financial statements for the year 1 April 2015 - 31 March 2016

Notes to the financial statements

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 Thermax Ltd.	Denmark India	www.erhvervsstyrelsen.dk www.thermaxglobal.com