

Thermax acquires 33% stake in First Energy

■ Energy major wants to expand green offerings

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ENERGY and environment major Thermax has acquired 33% stake in First Energy, an alternative energy solutions company, to expand green offerings. Thermax signed an agreement with First Energy for a stage-wise acquisition of the company over the next four to six years and have a majority stake in the company of 65% to 70%.

First Energy was an offshoot of BP Energy, which was a 100% subsidiary of British Petroleum, set up in 2005. First Energy was incorporated in 2009 after a management buy out of BP Energy by Mahesh Yagnaraman and Mukund Deogaonkar in partnership with The Alchemists Ark, a privately held business Consulting Group in Pune, led by Raymond Moses & Sreeram Thiagrajan. Yagnaraman and Deogaonkar were involved with the company since its inception and will continue to be closely in-

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involved in the company.

First Energy is an alternative energy company based in Pune that applies biomass and gasification technology to heating applications, specifically home and commercial cooking. It caters to consumers through brand 'Oorja' which consists of a biomass stove and a fuel - made from pelletized agri-residue. The stove uses biomass gasification technology, developed and patented by the Indian Institute of Science, Bangalore. Oorja's combination of a 'micro-gasification'

stove and biomass-based pellet fuel is adopted by customers as a substitute to fossil fuels such as LPG and diesel.

The partnership offers Thermax synergy and new opportunities in the commercial space to serve customers with alternative and cost saving solutions," said MS Unnikrishnan, MD & CEO, Thermax.

First Energy has recorded revenues of Rs 42 crore in 2014-15 and has a customer base in the industrial canteen segment with customers like Sodexo, TCS, IBM and Wipro. The product has gained markets and was getting ready to get into the small boiler space using biomass pellets. This is where it has synergy with Thermax which has its range of biomass fired boilers.

Yagnaraman, co-founder and CEO of First Energy, said as a leader in heat transfer technologies and applications, Thermax was valuable strategic partner for them and with this partnership they will be able to scale up their Oorja brand.