

Thermax to invest ₹400 cr in new plants in India, Indonesia

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Pune, July 28

Thermax Ltd has chalked out a clear strategy to de-risk its business and is investing over ₹400 crore in two manufacturing plants in India and a third one in Indonesia to help grow its products vertical.

The Pune-based energy and environment solutions company is setting up a chemical manufacturing unit in Dahej, Gujarat, to make ion exchange resins with an investment, in two phases, of ₹150 crore.

The land has been procured and the plant will go on stream during FY 17, said Chairperson Meher Pudumjee.

While Thermax already makes these resins in a plant near Pune, the new unit will be an export-oriented unit, as

over 80 per cent of the product is sold in overseas markets such as the US, Europe and South-East Asia, she said.

The resins have been developed internally and will be used in newer applications like food and medicine.

The second plant in India will be located on the east coast of the country at a yet to be firmed up location.

This will help Thermax expand its cooling business as the absorption chiller facility in Pune has reached capacity.

To widen its overseas manufacturing base, Thermax has acquired land in Indonesia through its wholly owned investment company that has been formed in Singapore.

This facility, for which \$25 million will be invested in two phases, has been planned as multipurpose plant for heat-

ing, water and air pollution products and will serve ASEAN markets.

Thermax Q1 net up 49%

Better margins on newer heating and cooling products and improved operational efficiency have helped Thermax post a 49 per cent growth year-on-year in its Q1 net profit.

The standalone company's net profit during Q1 16 stood at ₹62 crore against ₹41 crore in the same quarter of last year.

Operating revenue stood at ₹1,001 crore against ₹839 crore in Q1 2015 translating into a growth of 19 per cent.

Order booking during the quarter was ₹877 crore which is 32 per cent higher than that in the same quarter of last year.