

## Thermax setting up 3 plants, one in Indonesia

**fe Bureau**

**Pune, July 28:** Thermax is setting up three manufacturing plants — two in India and one overseas.

Meher Pudumjee, chairperson, Thermax, said they will be setting up an investment subsidiary in Singapore, through which it will invest in a manufacturing plant in Indonesia, which will become the regional manufacturing hub for the Asean region.

This is part of the strategy to reduce dependency on the cyclical nature of the capital goods industry and heavy reliance on one country through globalisation and promote the share of the product business. Thermax will invest \$25 million and the plant will be operational by 2017.

The company has acquired land in Indonesia for the plant which will cover markets of Indonesia, Malaysia, Thailand, Vietnam, Laos and Cambodia, Pudumjee said.

The first of the two new manufacturing plants in India will come up at Dahej and will focus on ion-exchange resins, which is part of the chemicals business, Pudumjee said.

The Dahej facility will be an export-oriented unit and the company will invest ₹150 crore in this plant in two phases. The second manufacturing plant will come up on the east coast of India and will focus on the cooling business and details will be finalised by next quarter, Pudumjee said after the AGM of Thermax in Pune on Tuesday.

MS Unnikrishnan, MD, Thermax, said these expansion plans are part of the strategy to derisk the business. The product business was risky and volatile while the product business is steady and detached from policies, he said. The product business brings in stability, reduces volatility on the balance sheet and is also a highly profitable, Unnikrishnan said.