

## **Expressions : Oct-Dec 2007**

I was sitting down to write my column for Fireside, reminiscing about the year gone by and how so many things have gone well for Thermax. When things go well, time seems to fly. Just then, I heard the very sad news of our three engineers and a contractor's engineer who died in an accident at a customer's site near Chennai on December 7, 2007. I have gone through the pain of losing my father and brother and can imagine the agony the families must be going through and how each moment must seem like an eternity. My heartfelt condolences to the families. You are very much part of our prayers.

Though this may have been an unusual accident, I would like to take this opportunity to reach out to all our people and emphasise, once again, the importance of safe practices at work, at home and outside. Apart from training, audits, and incorporating safety features into our engineering practices and providing safety equipment, we also need to be firm with our vendors, contractors and customers. If you know that an unsafe practice is being done, you have every right to make sure the conditions are safe before you perform a task or allow others to perform theirs. And the company will support you.

Unfortunately, safety is not something we in India seem to take seriously. Wearing a helmet or seat belt to protect your own life is anathema to many. In Thermax, we have had to make it a rule that people who do not come to work wearing a helmet will not be allowed to enter the premises. It amazes me that an organisation had to put down a rule like this, in order to ensure that its employees look after themselves. Doesn't each of us have a moral responsibility towards ourselves, our families and society?

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It has been six months since Unny took over as the managing director. The transition has been almost seamless, for which my compliments to Unny, the entire senior management team and our Board which has played a very important and significant role. Unny seems to be maturing with every passing day – like good old wine – and it is a pleasure to work with him and his senior team. Extremely motivated and committed, he seems to have his finger on the pulse. So we are in good hands and I wish him the very best!

At the end of October, we had our fifth annual Board Retreat at Lonavala – two days that we all look forward to each year since this helps to bring clarity to our present and future plans.

Up until now, our company has certainly taken advantage of the major investment led growth. Each business has strapped on its boots and is running. With the country galloping at nearly 9% growth in GDP, with the capital goods cycle at 16 %, we have been doing well. My compliments and thanks to each one of you. Our performance has been very good, whether it be order booking, invoicing, profits or tactics to fight competition, developing new applications, or getting export orders. We certainly deserve a pat on our back!

There is also external endorsement of our sustained performance. For the third year running Thermax features in Forbe's "Asia's 200 Best Under a Billion \$" companies. Seventeen companies, including Thermax, are from India. In Business Today's listing of India's 500 Most Valuable companies, Thermax has moved up to 83rd rank from 94th last year. I am sure all our stakeholders will be happy to know this.

Looking ahead, the market is in a very dynamic state and decisions are being taken fairly quickly. We, therefore, need to cover ground rapidly on the here and now, as well as invest for the future – our H2 and H3 horizons, which we are all familiar with. A comment made by a shareholder that one of our Directors raised at the Retreat is worth reflecting on: 'Thermax has the money, the opportunity and the talent; so why are we not taking advantage by moving even faster'?

I keep wondering what "moving even faster" means? Does it imply faster in the commitments we make to ourselves, our customers and to our people? Does it mean moving faster towards operational excellence and providing world-class quality products and solutions? Or faster in mergers and acquisitions? Or, perhaps, faster in R&D and technology acquisitions, especially since there is so much happening in the energy and environment sectors? Is it a faster pace of internationalization? Our reach of the service businesses? Our ability to train, induct and integrate new comers into Thermax? Or, above

all, faster in our ability to execute decisions that have been taken? I guess the challenge is not to look at all these demands as “either /or” but to embrace all of them with alacrity. Luckily, Thermax has responsible and dedicated people, at all levels, who are ready to deliver on what is promised and to walk that extra mile.