

Business Standard

Thermax signs 15-yr pact with US firm

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Pune-based power equipment maker Thermax has entered into a technical collaboration with Babcock & Wilcox Power Generation Group (B&W PGG), to foray into manufacturing and supply of utility boilers of up to 800 mw used to power thermal plants.

B&W PGG, based in the US, is one of the oldest power equipment manufacturers in the world. The deal gives Thermax the right to design, manufacture and sell subcritical B&W Radiant utility boilers in India. The 15-year agreement with B&W PGG will help Thermax to join other companies such as BHEL and the L&T-Mitsubishi combine and about five Chinese power equipment manufacturers operating in India.

Reliance Power has also announced an entry into the power equipment manufacturing business with a technological partner. Thermax, which

POWER DEAL

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generated a revenues of Rs 2,800 crore in the first nine months of financial year 2007-08, hopes to generate Rs 1,500 crore annually from the business, tapping 10 per cent of an estimated 100,000 mw of installed capacity to come up in India in the next five years.

So far, the company's business was confined only to offering turnkey solutions for captive generation of 5 to 50 mw. "We have 40 years of experience in designing and manufacturing a wide range of boilers, heaters and heat recovery steam generating systems. We are also a leading engineer-procure-construct(EPC) supplier of captive and co-generation plants in India," said M S Unnikrishnan, managing director, Thermax.

"Once we graduate in this technology, we will go up the chain to manufacture super critical boilers for larger power plants such as ultra mega power projects," he added.

He said Thermax was investing about Rs 450 crore at a 100-acre plot at Savli near Baroda to manufacture the boilers. The company currently has manufacturing units at a 68 acre facility in Pune and a 70 acre specialty chemical manufacturing unit at Patal Ganga.