

Sharing the family values

The chairperson of Thermax on giving in to trust, educating children and choir music

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Stepping off the noisy and chaotic road of Wakdewadi in Pune and into the headquarters of Thermax Ltd, I get a quick sense of calm. In one corner of a sanitized and spacious reception hangs a collage of brightly coloured blocks, with paintings of fish, sun, stars, trees, river and all things nature. They appear to be individually painted but come together like one large painting.

When I bring this up with Meher Pudumjee, 46, chairperson of Thermax, her face lights up. "The children of Akanksha Foundation did this. We were all there; me, my mum (Anu Aga), the Thermax staff, their children, spouses... Each painting was different from another but, eventually, it all came together so beautifully. The children at Akanksha are fantastically creative," she says, as excited as a child who's just been handed her first set of crayons, as we settle down in her spacious office. My over six-month wait to meet her has finally come to an end.

She may be a chemical engineer and the chairperson of one of India's leading energy and environmental engineering companies, but Pudumjee's heart ticks for children and education. She works closely with The Akanksha Foundation, a non-profit organization in the field of educating underprivileged children (Thermax provides the funds and Akanksha the expertise to run three municipal schools in Pune). She is also on the board of directors of Teach For India (TFI), another non-governmental organization that encourages people to teach underprivileged children. Shaheen Mistri, CEO and founder of TFI, is also the founder of The Akanksha Foundation.

"I have been brought up in a family where education has been given the strongest value. My parents always believed that if you educate someone, it's the best gift you can give them," she says.

Growing up, Pudumjee's (late) brother Kurush was nudged to go into the kitchen because he loved cooking; Pudumjee used to—still does—dislike cooking, something, she says, her parents never forced upon her.

Apart from values that her parents instilled in her at a young age, they also taught Pudumjee the

freedom to make choices. "There was never any obligation for me to join the family business," she says, either while growing up or when she went to study engineering at the Imperial College London.

But as fate would have it, by the time she graduated, her courtship with her fiancé (Pheroze Pudumjee, now her husband) was well under way and that pulled her back to India in 1990. That was also the first time she showed interest in joining Thermax, where she started as a trainee, along with 100 other engineering graduates that year.

Thermax gets its name from "Therm", which is a unit of heat. It was started by Pudumjee's grandfather Adi Bhatena in 1966 as Wanson India. Rohinton Aga, who was hired as a professional by Bhatena, eventually took over the reins of the company after he married Anu, and renamed the company, first, as Thermodynamics Pvt. Ltd in 1980 and then Thermax. Also, Wanson was founded in Mumbai, but Thermax was incorporated in Pune. It initially manufactured boilers. Since boilers give out particulate emissions, the company got into air pollution control, then waste water management, chemical conditioning and absorption chilling (using waste heat or fuel to provide the energy needed to cool another system).

The company is listed on the Bombay Stock Exchange and the National Stock Exchange—the family owns about 62% of the company's shares. In 2011-12, Thermax registered sales in excess of ₹6,000 crore, up from about ₹600 crore in 2001-02, with a market capitalization of ₹7,161 crore, as of mid-December.

Pudumjee got married a few months after she joined the company. After a short stint in Mumbai and almost a year later, the couple went to the UK to handle a loss-making unit of the firm, to try and turn it around. Pheroze, a car enthusiast who had his own automobile workshop in Pune, had joined Thermax by then. Their first child, Zahaan, was

born in the UK. Now 17, Zahaan is busy applying to universities abroad because he wants to study engineering.

The honeymoon ended abruptly in 1996 when Rohinton Aga, who was the managing director of Thermax, suffered a heart attack and died suddenly. Overnight, Pudumjee joined the board and her mother, Anu Aga, who headed the human resources division at Thermax, became the chairperson.

Pudumjee recalls that when Aga first suffered a heart attack in 1982, he was keen that Anu take an interest in the family business. In those days, Thermax was a privately-held company.

Tough times continued after Aga's death; in 1999-2000, Thermax posted its first-ever operational loss.

"Coping with her personal loss, as also the business environment, my mother did not feel equipped to run the company. Both my father and grandfather were not engineers and so felt it best to be surrounded by competent people who understand technology and give them reasonable freedom to run the business. It's only when you empower good, committed people to do their job that the business can grow sustainably," says Pudumjee.

So, as part of the recommendations made by the Boston Consulting Group (BCG) to restructure the business ("everyone thought that Anu was crazy for bringing BCG in because they were expensive and we were struggling to make money but it was the best strategy at the time"), Anu, Pudumjee and Pheroze gave up their executive powers and the entire board stepped down.

"We got in independent directors and appointed a long-time Thermax employee, Prakash Kulkarni, as our managing director who would now call the shots," recalls

Pudumjee, who has been the company's non-executive chairperson since 2004 after Anu stepped down from the position to pursue her social work.

"Social work, especially in the field of education, was always my mom's first love," says Pudumjee.

Under Pudumjee's reign as chairperson—and with the business environment getting friendlier over the years—Thermax has gone global. It acquired Danstoker A/S, a leading European boiler manufacturer, and its German subsidiary, Omnicel Kessel (November 2010), and Rifax-Hans Richter GmbH, a leading steam accessories manufacturer (March 2012).

Being a non-executive chairperson requires her to involve mainly in strategic issues, and not the day-to-day rigmarole ("I don't interfere at all; that's the managing director's prerogative"), and gives her a lot of time with her family and other activities like working with the Thermax Social Initiating Foundation, Akanksha, TFI, and her choir music.

Some TFI fellows also teach at the KC Thackrey Vidya Niketan School, the first of three schools that the Thermax Foundation runs in collaboration with the Pune Municipal Corporation (PMC) and Akanksha. The current batch of class X students is the first English-medium 10th standard batch in any of the PMC schools, its principal, Shalini Sachdeva, tells me as she demonstrates how they have changed the way children get educated. For instance, they replaced Balbharti textbooks with *Harry Potter* books to get children to appreciate the art of reading the English language through storytelling.

How comfortable is Pudumjee giving up the reins of her family business to professionals who are not related? "Very comfortable," she says. "I have often asked myself what makes me and my managing director (M.S. Unnikrishnan, since July 2007) work together and what I think of is trust. We trust one another whole-heartedly," she adds.

Juggling her office duties, managing family (the couple also have a 13-year-old daughter Lea) and her social work, Pudumjee finds time to sing Western classical in her choir, which performed in Pune and Mumbai this week. "I used to play the piano quite well—my mother used to show me off in front of our guests when I was a child and I used to squirm—but I don't play it any longer. But I love singing in the choir," says Pudumjee, who also makes it a point to listen to what her children are interested in, on her iPod during her morning walks.



JAYACHANDRAN/MINT

IN PARENTHESIS

On one of her visits to India, when she was still in college in the UK, Meher Pudumjee's mother Anu Aga had invited a few of her friends over for a game of cards. Their cook had not come that night, so Aga looked around and jokingly asked, "So who is calling me and Meher tonight for dinner?" A friend, Homai, volunteered and called them home that night for dinner. She turned out to be Pheroze Pudumjee's mother, and from there started Meher and Pheroze's courtship. They got married in 1991.

Prankster: Pudumjee went 'through a phase' in class II at St Mary's School, Pune, when she would rub off her homework assignments before she came home, before her mother found out, of course.