

HRS targets ₹3 cr revenue from heat exchanger segment

Steel Insights Bureau

HRS Process Systems Ltd., (HRS PSL) established in 2001 in Pune, is a part of UK based HRS Group, and is one of the leading heat transfer specialists which operate at the forefront of thermal processing technology. The company has a global presence with group companies in the UK, Spain, Germany, the US, Peru, UAE and Malaysia.

HRS PSL offers effective heat transfer solutions for an extensive range of processing applications across a spectrum of industry sectors like chemical, petrochemicals/oil & gas, pharmaceutical, oil & fats, fertilizer, cement, steel, power and OEMs, among many others. The company is a pioneer in the 'corrugated tube' technology for the process industry and offers innovative technology of international standards for thermal processing, its plate heat exchangers with German technology are amongst the best globally.

In an exclusive interaction with *Steel Insights*, the company's managing director **V. Gokul Das**, speaks on the company's market share in the heat exchanger business, the demand scenario and the company's marketing plans.

Excerpts:

What is the share of the heat exchanger business in the overall business of HRS Process Systems?

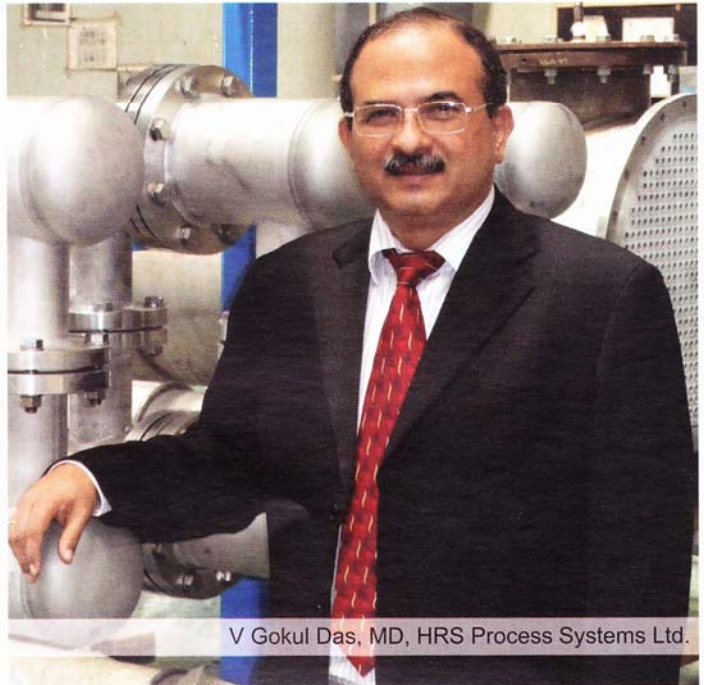
Heat exchanger is our primary business and constitutes 100 percent of our overall business. In terms of sectors, the process industry constitutes 75 percent applications and 25 percent is in the food processing sector. We have a CAGR of about 30 percent year on year. Our sales turnover for the year 2010-11 was ₹38 crore.

What is the market share of HRS in heat exchanger business? What are the efforts being taken by the company to increase market share?

HRS has sold more than 7000 heat exchangers in less than a decade and has worked with over top 100 major blue chip companies, engineering consultants, EPC contractors and licensors. The heat exchanger market consists of many products and variants and in this context our market share would be about 2 percent. However in the range of corrugated tube heat exchangers we are the world leaders with over 90 percent market share.

In the chemical process industry we are the only company who can provide guarantee performance with our Ecoflux* corrugated tube heat exchanger. Sector wise in the food process industry and pharma sector we have a market share of over 75 percent for our heat transfer equipments.

We are consistently enhancing our reach by expanding our



V Gokul Das, MD, HRS Process Systems Ltd.

marketing network and also through a sustainable marketing communications campaign.

What kind of demand for the heat exchangers is seen from the steel industry? How does it help the growth of steel industry?

In the steel industry, the heat exchangers are used for various heating and cooling applications. These can be for simple lube oil cooling in the various mills or such moving equipment, water coolers for various quenching systems, closed loop plate mill, electrolyte solutions, heating cooling systems, condensers, coolers, regenerators in the coke oven and by product plants, heat recovery and condensers in power plants, gas cooler/heater for various furnaces and a host of water cooling applications across steel plants including heat exchangers for ash handling systems.

The steel industry is on a modernisation spree and many new plants are also getting established. Energy is one of the key costs in the steel making process and our Ecoflux* corrugated tube heat exchanger and Funke plate heat exchanger solutions offer good alternatives for various energy reduction and savings potential. This helps in reducing the processing costs making the industry more competitive.

Also, most steel plants have old technology heat exchangers

which have outlived their utility and replacement with our energy efficient heat exchangers would help this industry immensely. Ancillary steel industries like re-rolling mills, forging shops and others, can also derive all these benefits.

What are the efforts being taken by HRS to promote the product among steel makers in the country?

Our strength lies in providing customised solutions which offer technological edge to our customers with excellent service back up. We ensure that all units that are in the market are working to the satisfaction of our customer.

In our markets, as in all markets, the key to gaining customer confidence is in supplying equipment that performs to their expectations and beyond. About 60 percent of our business is from repeat orders from our customers.

HRS has recently been working on providing information on our innovative range to various public sector undertakings and private sector steel majors in the country. We have successfully installed our heat exchanger for a critical application of coal gas heater for coke ovens, heat exchanger based electrolyte bath heating/cooling for high quality sheet metal and many for lube oil/hydraulic oil cooling application.

We have registered with all SAIL steel plants and consultants like MECON, PDIL, Siemens VAI, Jacobs Engineering and private sector companies like Tata Steel and others. We are also using other forms of publicity to spread awareness on our energy efficient range of heat exchangers.

Where is your product manufactured?

Our products are manufactured at our state-of-the-art facility in Koregaon Bhima, near Pune which has been built as per international standards. The manufacturing facility is spread over 4 acres (approx. 16,000 sq m.). Our fabrication shop built up area is about 20,000



sq.ft. (~ 1850 Sq m.) with capacity for expansion to double the size within a very short time.

Our facility is ISO 9001:2008 certified along with ASME 'U' (The American Society of Mechanical Engineers). We also have NBBI (The National Board of Boiler & Pressure Vessel Inspectors), HTRI (Heat Transfer Research, Inc.) and NSIC-CRISIL SE1A certifications. We have a good network of vendors and suppliers whom we evaluate regularly for quality product.



Is HRS planning any new facility to expand production capacity?

Our present location has enough space to take care of the requirements for the coming few years. This was envisaged in our plan when we began operations in 2003. We will be expanding our existing facility in the coming years to cater

to the growing requirements.

What kind of revenue is HRS targeting from heat exchangers being supplied to steel makers?

The market for heat exchangers in the steel industry is very big. We are looking at a modest beginning of ₹3 crore during the year and growing it at about 30-40 percent based on the demands emerging from this sector for innovative technology.

Who are your main clients in the steel industry?

Our supplies to the steel industry are either direct replacements or through EPC contractors depending on the type of order. Some of our esteemed clients are SAIL Steel Plants: Bhilai, Bokaro, Durgapur, Rourkela, IISCO, Siemens VAI, Otto Projects, Tata Steel, JSW Ispat Steel Limited, JSL Stainless Ltd, Essar Steel Ltd, SE Forge Limited, Amtek India Limited, Jindal Steel & Power Ltd. ■