

As order books grow, capital goods, engg companies firm up capex plans

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Mumbai, 4 June

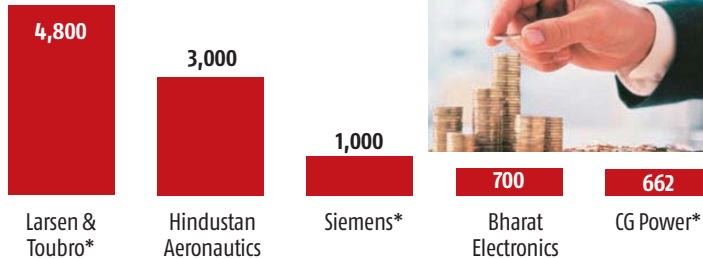
As order books gain from India's increased capital outlay, some large capital goods and engineering companies are together spending over ₹11,500 crore in creating new facilities, data shows.

Nine engineering and capital goods companies, where data was available, including Siemens, Larsen & Tourbo (L&T) and KEC International, have a combined capital expenditure (capex) of about ₹11,500 crore or more.

Others such as ABB India and Thermax Global are also adding capacities. However, these companies do not disclose capex numbers.

With presence in the transmission and distribution (T&D) segment, Kalpataru Projects International's tower manufactur-

BIG PLANS (₹ crore)



*Capex spread beyond FY25

Source: Company Announcements, Analyst Call transcripts.



marked for inorganic and organic options.”

Thermax Global does not disclose capex numbers, but informed analysts it will be investing in capacity expansion in the chemicals and industrial water products. The biggest portion of their capex would go to the green energy segment.

Investments in green and new energy are gaining ground among those adding new factories.

G Balaji, president, energy industries of process automation, ABB India, said while it is investing equally across all divisions, the energy division's capex is focused on emerging areas like hydrogen.

Earlier this month, Siemens announced it will be doubling its capex commitments to ₹1,000 crore. The company noted that the amount is to be spent in the next three years.

ing capacity is operating at full capacity.

The company plans to invest about ₹500 crore in the current financial year.

Amit Uplenchwar, director of the company, noted this is the highest ever as the company is expanding to newer segments such as the metro-systems. Engineering

services firm ABB India, did not share the exact capex numbers.

However, in a response to *Business Standard's* query, it said, “The company follows a very clear capital allocation policy. Approximately 30-35 per cent is dedicated to meeting the networking capital expenditure needs for growth. The balance would be ear-