### AN HOUR WITH RACHANA KAUDINYA – AN INSPIRATIONAL ENTREPRENEUR



Rachana Kaudinya is a Managing Director at Eco Pacific Pty. Ltd and also an active committee member of IITaV. On 13<sup>th</sup> February, 2018, it was a great opportunity to have a vivid conversation with her when she showed us around her industrial site

Entrepreneurship is a cherished path for many ambitious career aspirants today and calls for a great deal of hard work, smartness and dedication. When the drive is primarily for software/IT firms, establishing an industry related to Mechanical Engineering is much more challenging and highly commendable. An example of such an inspiring entrepreneur is Rachana Kaudinya who along with her husband Jai Kaudinya, and son Sam Kaudinya laid the foundation of Eco Pacific Pty. Ltd in Melbourne in 2006.

Eco Pacific is an Australian OEM (Original Equipment Manufacturer) company engaged in research, design, development, and manufacturing of energy efficient eco-friendly gas ducted heaters, evaporative air-conditioners, and fresh air heat recovery ventilators. Eco Pacific has been awarded multiple merit based innovation grants by AusIndustry to develop, design and commercialize new technologies.

Being a Mechanical Engineer, I was amazed to know about her profession when I first met Rachana in an IITaV meet. Coming to a new place and starting something from scratch requires a very high risk taking mentality and a strong

mind frame. I was highly inquisitive to learn about the 12 years of her challenging journey. Hence, I expressed my interest to visit her industrial site, to which she happily agreed.

Along with my friend Chitrarth, I went to Eco Pacific Pty. Ltd located at 437, Hammond Rd, Dandenong Industrial Area. Over a short span of 12 years, Rachana and Jai have established themselves formidably. The site is really spacious with dedicated sections for machining, storing, packaging, testing and sheet metal. There are separate laboratories for Research & Development, electronics and testing as well. We toured for about an hour where we had a detailed conversation with her. I have put forth the highlights of our discussion.

# Simply Fabulous Rachana! How did the idea incubate in your mind in the first place?

Both, my husband Jai and I are from IIT Delhi. We both did Masters from IITD in the field of energy studies, heat and mass transfer. Being research driven, while Jai was keen to pursue Ph.D. from IIT itself, I developed my interest in project management, govt. policies and programs and joined a central govt. dept. in Delhi where I was responsible for sanctioning, monitoring and evaluating projects executed by NGOs related to the dissemination of innovative technologies in rural areas. On arriving in Melbourne in 1995, I undertook a PhD on Public Programs and Policies with a focus on analyzing their impact on eco development as an approach to sustainability and also worked with the Australian Govt. for some time as a senior policy officer. During this period in Melbourne, our son Sam also graduated as Mechanical Engineer and developed his interest in products design.

Jai on the other hand had a keen interest in engineering research and technology. After graduating as Ph.D. from IIT Delhi, he received a diverse exposure in research and development for about two decades in various industries related to energy systems, the most notable being the time spent in the space research laboratories in Russia and Japan and of course in Melbourne.

With the competencies gained over these years, Jai realized that our combined skills could be used to develop our own set up. With this vision in mind, we were

looking for the right opportunity. The time came when a company in Melbourne Jai was associated with as R&D advisor, was closing down due to personal reasons. We set up our company in January 2006 with just buying the series of two products of this company, one ducted heater and one evaporative cooler. We have since modified these two products and also developed our own products.

## Like any mechanical industry, you would have needed a large investment. How did you manage the funding?

Since we foster a culture of continuous improvement in our company, this really needs large investment. As I said before, we have been awarded four consecutive innovation grants by AusIndustry to develop and commercialize our high efficiency lowest profile natural gas operated ducted heater range and a heat recovery fresh air ventilator- all complied to Australian Standards for residential applications. The funding helped us to proceed with our planned design cycles and over the years; we came up with our own energy efficient products.

#### How big is your team?

The company's management members are highly qualified technologists, and Ph.Ds. Being In a family business, our journey has been quite interesting and challenging. Starting with five-six members initially in the first six months, we have now developed a strong team of Engineers, supervisors, installers and have also formed two group companies. We have a dedicated engineer for our electronics laboratory, one for design and also a few trained engineers and supervisors and assemblers to manage the test section, quality control and the production. Besides, we also have two group companies. The sales, installation, commissioning, and servicing is looked after by Econium, now led by Sam. The sheet metal production is being looked after by our group company KNS.

#### What is your current market position?

We invested in the products with the hope that the innovation of the new products such as "Ecovent" and super star heaters will open the market for a wider range of customers. Our super star range of heaters has an edge over the other similar brands as it is the lowest in height and should be in high demand in low roof town house - a new trend in housing industry.

However, the company is facing stiff competition from the well established companies of three generations in some cases. Their incentives to the retailors and contractors outmatch Eco Pacific products despite high quality of our products. This leads to lesser sales compared to the competitors.

#### What are the major challenges for you?

Given the fact that the market is mainly cost driven for fully complied similar products, it's difficult to match their prices as our products are better quality and are manufactured locally. Also, since the company has invested a lot on the research and development of the products, it does not have the capacity to offer cash or additional incentives to the retailers, installers and builders as they enjoy from these well established businesses. We are also thinking on the lines of outsourcing some component level manufacturing outside of Australia (China and India).

Smart marketing is really essential to popularize the merits of our products and boost our sales. Unfortunately, we are currently quite tight on budget and looking eagerly for some funding for marketing.

It was really great talking to you Rachana and learning about the way you persistently kept on tackling the roadblocks throughout this journey! I wish you all the best for your endeavors and hope that you get some solutions for the current difficulties faced by you.

I guess the path for any ambitious career is always turbulent with new battles to fight from time to time. It is the passion and positive attitude that keeps us going and so is the same for Rachana and Jai. They are a great example especially for those among us who plan to settle and build a career in Australia.