



Daikin India & Rechi Precision, Taiwan Set Up JV for Compressor Manufacturing, Design & Sales for HVAC Industry

- *Local manufacturing, design & sales of Rotary Compressor and Components*
- *To set up Manufacturing Base at Sri City, Andhra Pradesh*
- *India made cost competitive & feature rich products*

New Delhi / Gurgaon (December 17th, 2024) – Global leader in HVAC Industry, Daikin Industries Ltd thru its 100% subsidiary, Daikin Airconditioning India Pvt Ltd (“Daikin India”) and Global leader in Compressor Business Rechi Precision Co. Ltd., Taiwan (“Rechi Precision”). have announced to set up a Joint Venture Company to manufacture, design and sale of rotary (inverter & non inverter) compressors in India and some overseas markets under a Joint Venture Agreement (“JV Agreement”). Rechi Precision’s innovative rotary compressor technology complements Daikin India’s portfolio and delivers substantial benefits including localised products, affordability and enhanced reliability. The joint venture is expected to become operational by 4th quarter of FY24~25. The manufacturing facility shall be established at Sri City, Andhra Pradesh.

Key advantages of JV:

Localisation:

The JV will augment manufacturing, designing & sales of compressors in India and some overseas territories, especially as the demand for affordable, feature rich matures.

Future Expansion Potential:

The joint venture includes plans to building a new **33 Acre manufacturing plant** Sri City, Andhra Pradesh, India, ensuring we meet growing customer demand and scale for future market shifts.

Value-based & Affordable Solutions:

As trends toward ACs accelerate, this agreement will provide customers with reliable, high-performance products, cost competitive Acs to meet those needs.

This JV agreement leverages Daikin India’s market leadership, deep industry expertise, sales network and robust technical support alongside Rechi Precision’s proven rotary compressor technology & manufacturing prowess. Together, they will provide residential customers with a cost-effective air-conditioners and support the high cooling demand. This collaboration plays a pivotal role in accelerating the shift towards AC adoption by the rising middle class, meeting both affordability & availability, relevant for India & overseas consumption.

Under this JV agreement, a joint venture will be established in India with Daikin India holding a majority share. In the initial phase of the partnership, efforts will concentrate on providing test samples of Rechi Group Taiwan’s rotary compressors (both inverter and non-inverter) to India’s AC manufacturers to facilitate swift adoption and evaluation.

“This partnership marks a significant milestone in broadening Daikin India’s offerings, enabling us to deliver a wider array of advanced rotary compressor technologies tailored for residential HVAC solutions,” said **KJ Jawa, Chairman & Managing Director of Daikin India**. “As the market witnesses growing demand for cost-effective air conditioners, our extensive sales network, customer-centric approach, strong brand reputation, and reliable after-sales support—combined with Rechi Precision’s innovative rotary compressor expertise—will empower us to provide economical and efficient air-conditioning options for our valued customers.”

“This JV formation is in line with our mid-term business strategy to establish a major hub in India. By partnering with Rechi Precision, a Taiwanese company known for its cost-effective material procurement and manufacturing expertise and extensive global track record in compressor sales, we aim to build a business foundation for compressor production and sales in India. Specifically, this new company will produce and sell compressors domestically to alleviate supply shortages and cater to both Daikin internal and external demand. As we expand our business, we will support the “Make in India” policy as a leading air conditioning company and contribute to the sustainable growth of the Indian market through stable supply” said **Shoji Uehara, Executive Officer, Global Operations Division, Daikin Industries Limited, Japan**.

“In this joint venture, Rechi Precision will bring technical knowhow, R&D, continuous product development, production engineering capability etc and play a key role in setting up sales and service capability in India for Rotary Compressor



Business. We are very excited to partner with Daikin and bring latest technology in the field of Rotary Compressor to India.” **said Chen, Shen Tien Chairman of Sampo Corporation, Holding Company of Rechi Precision.**

About Rechi Precision, Taiwan

Rechi Precision was established in Taiwan in Dec, 1989 and is a global leader in manufacturing of Rotary Compressor, Motors and other components in the field of HVAC Business, with the vision of technical independence, world class products and creating the top-notch products and a tech life. All employees share the management philosophy of superior quality as the competitive advantage; technical excellence to lead the market; comprehensive service to win customer satisfaction. This then becomes the core competence and guiding principle of becoming the global leader in the compressor industry. Rechi Precision further visioned to “create endless possibilities of the energy conservation industry & become the top provider of pioneer (avant-garde) energy conservation products”. In business management, apart from creating corporate value and profit there is also the added responsibility of preserving the earth’s environment and natural resources. For this reason, maximization of corporate value and the CSR of protecting the earth is our mission. And responsibility, integrity, innovation are the core values of every RECHI employee.

About Daikin Industries, Ltd., Japan

Founded in 1924 in Osaka, Japan, Daikin Industries, Ltd. is a leading global manufacturer of HVAC&R (Heating, Ventilation, Air Conditioning, and Refrigeration) systems. With over 100 production sites worldwide and operations in more than 170 countries and regions, Daikin’s HVAC&R business plays an essential role in social infrastructure. By improving indoor environments in various climates, Daikin is providing comfortable spaces, while contributing to the health of people. However, the increasing electricity demand from air conditioning usage has become a significant issue. Global demand for air conditioning is expected to triple by 2050. Daikin’s mission is to mitigate the future impacts of global warming as much as possible while providing a safe, reliable, comfortable, and healthy air environment. With its aim of "Perfecting the Air," Daikin will offer products and services that cater to the diverse needs and values of cultures worldwide.

About Daikin Airconditioning India Pvt. Ltd.

Daikin Airconditioning India Pvt. Ltd. (Daikin India) is a 100% subsidiary of Daikin Industries Ltd., Japan, a global leader in the manufacturing of commercial-use and residential air conditioning systems. Backed by the superior technology, the organization offers a wide range of energy-efficient air conditioning solutions to the Indian customers. It has been successfully offering premium air conditioning solutions in the Indian market for large-scale projects. Robust growth is forecasted in India’s air-conditioning market in the future and Daikin intends to further increase its market share of residential and large-scale projects.

For more information, please contact:

Shamik Nandi
AGM – Marketing & Communications
Daikin Airconditioning India Pvt. Ltd.
Handphone: +91 9953001462
Email: shamik.nandi@daikinindia.com