Prime Insights

Sealmatic India Pvt. Ltd. Umar Balwa's Inspirational Success Story for Every Entrepreneur!!



Sealmatic India Pvt. Ltd.

There is an entrepreneur within all of us that gets inspired by studying tales of great success. The inspirational enzymes present inside us get provoked by such success stories. This consumes us with rejuvenated strength and vigour.

One such motivational success story is that of <u>Umar A K Balwa</u>, founder of <u>Sealmatic India Pvt. Ltd.</u>, a leading manufacturer of mechanical seals. The company is known for its robust design and high-quality mechanical seals and related products for industrial applications such as chemical, mining, gas, oil, pharmaceutical, paper industries, etc.

Umar Balwa's journey in the business of mechanical seals started by chance. After graduating from the University of Bombay (as Mumbai was known back then) in the year 1988, he originally wanted to branch out of the family business of real estate and hospitality to set up a garment manufacturing unit in the city of Bombay. Back in the days, Bombay was one of the largest export hubs to Europe and USA for ready-made garments. As luck would have it, his father –after initially expressing encouragement and support towards his independent garments export business plandecided against it. Much to his disappointment and even after he spent ample time reasoning with

his father, his efforts to convince him did not bear fruit. He felt dejected and betrayed and sulked for many weeks. While he was brooding, his older brother Hussein Balwa had decided to make a foray into the mechanical seal business and founded A K Engineering to honour their father Abdul Karim Balwa whose initials it bore. It was a small engineering enterprise. Much to his chagrin, he had neither heard about this line of work in the past and nor was familiar with its market or its functioning.

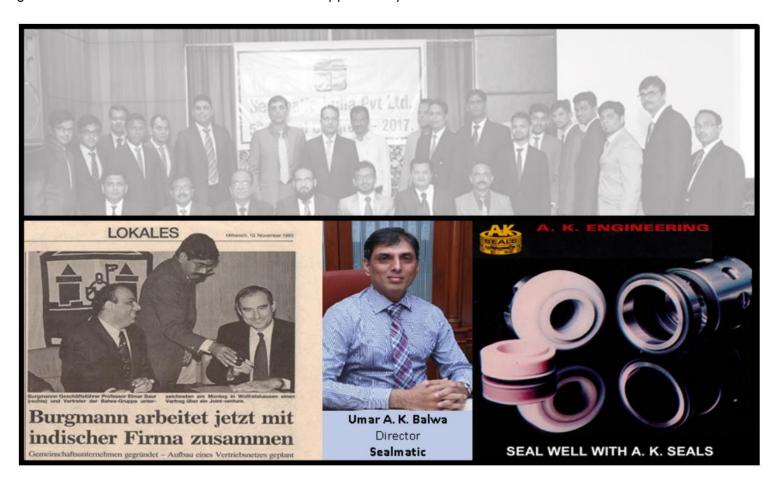
It was on May 18th, 1989, when Umar Balwa was sitting idle- his daily routine in those days- as he had become redundant and had no work other than performing menial jobs for his father and his older brothers who thought he was whiling away his time and being unproductive, that they made an announcement to him: He was to report to A K Engineering from May 19th, 1989 at 9:00 AM every day. The Indian family structure with all its glory and security has its flaws. Once your father announced a plan of action, it got cast in stone and there was little choice but to abide by it. He had no recourse except to reach A K Engineering at 9:00 AM sharp, the following day. Hence, he reached the office on May 19th, 1989, and began his journey in the business of "Mechanical Seals."

Umar Balwa was 22 years of age when he set foot in the business of mechanical seals. It was a totally different world as compared to his family businesses of real estate and hospitality which were pretty much set and with which he was familiar. The first and the most important lesson he learnt about the mechanical seal business was that it is difficult to design, manufacture and sell! He was thrown into its rough sea rife with challenges and one that he didn't quite know how to navigate. He worked solo and did everything in the company; from writing letters of solicitation to customers to purchasing raw materials and his tasks even included chasing errant customers for payments. He soon realized upon meeting good customers like KSB, Sulzer, Ebara, and many more that unless and until his company acquired a sound technological back up from a renowned mechanical seal company of Europe or USA, he would be wasting his time in this business. The world was different in those days, information was sacred and secret, and there was no readily available database that he could access for the names of good international companies to collaborate with. He went to a technical book store in Bombay and enquired with the owner if they had a book on mechanical seals. The shopkeeper nodded and handed him a book — titled Seals And Sealing Hand Book by Elsevier Publishers.

That book changed everything for his mechanical seal business. It opened his world, helped him expand his vision, and enabled him to reach out to the world-renowned companies in the business of mechanical seals. He wrote incessantly to every company whose name and address were mentioned in that book, following those letters with badgering phone calls. He can candidly say that he often found himself at the receiving end of terribly rude and curt answers because it was difficult for a company in Europe or USA to understand the requirement and urgency of setting up a mechanical seal company in India. Understandably so, because the Indian economy had not yet opened up and nobody cared enough about the potential that lay for any such foreign company in India. Finally, his labour, patience and perseverance paid off. Umar Balwa managed to get an audience with Feodor Burgmann of Germany. He remembers reading and re-reading the fax that he had received from Burgmann dated 12th March 1993, which said, "We have received your proposal of a joint venture along with other documents to manufacture mechanical seals in India. We will visit your office in

Bombay shortly to evaluate your company along with other applicants to discuss the matter in detail."

Umar Balwa was riding high; his joy knew no bounds and he was behaving as if he had already signed the joint venture agreement with Feodor Burgmann of Germany. The team from Burgmann visited his company in Bombay. There were other strong applicants who had put in more years in the mechanical seal industry than his company. In fact, his was the youngest company, formed in 1989, whereas the other applicants were already in existence and in the business of mechanical seals since the 1970s. He had to put his best foot forward and gave an earnest presentation. He had to do his best as this was his only chance. The drama was high octane, filled with suspense, while the pendulum tilted sometimes in his favour and most of the times in favour of the other applicants. Yet, he was determined to have this joint venture but then so were the other applicants. As it turned out, he almost lost out because Feodor Burgmann had decided to go with another applicant whom they found more suitable than our company. He was crestfallen but his inner spirit that never says die prompted me to keep his hopes alive and pray for a miracle. And it did happen! God bestowed his mercy and blessings on him. Feodor Burgmann's final discussions with the other applicant did not go well and that was when he seized the opportunity with both hands.



As scheduled, the ceremony of signing the joint venture was held on Mitwoch November 10th, 1993 which got covered in the Lokales newspaper. His training which commenced on 08th November 1993 lasted three weeks. It was eventful and invigorating. He thought it was a great learning experience and felt very sad about returning home at the end of it. In the three weeks of training, he learnt a great deal about technical matters, but above all, a few things got ingrained in his mind; success came to German engineers because of their dedication, sincerity, perseverance, and most importantly their discipline. Discipline sets them apart from everybody else.

Back in India, he got involved in imparting all that was learnt during his training in Germany. Sometimes his Indian colleagues did not understand certain aspects of his instructions. They often raised queries as to why tasks were to be done in a particular fashion. They preferred to employ shortcuts. It was then that he would smile and say — "discipline my dear fellows — discipline."

After investing 17 years in the business of mechanical seals, Umar Balwa was finally beginning to relax and enjoy the success of his long labour- a high that made him believe nothing could go wrong when there came a sudden announcement from the company in Germany that it was taken over by a larger conglomerate. The year was 2004. He thought he ought not to worry about an event taking place in Germany due to its distance from India, but how naïve he was. The repercussion did arrive at his doorstep, albeit after three years. Despite his efforts to the contrary, under a congenial agreement, in August 2007 his family had to sell their shares to the parent company in Germany with great sadness. Though the agreement was concluded in a gentlemanly manner, it did not mean that his family and he were happy about it. In fact, he was extremely sorrowful. He had built a family within the company; it was the purpose of his life. His colleagues felt like family to him and the company a baby he had nurtured for so many years. Finally, he bid adieu to the company and his colleagues and went into professional oblivion, far away from the mechanical seal business. He neither wanted information about the company nor of the mechanical seal industry. The subject could serve only to trigger his raw nerves.

In his own way, he had come to terms with the loss of Feodor Burgmann. He was keeping himself occupied with the family business of realty and hospitality when one evening in December 2011, an old colleague – Hanif Chaudhary walked in. Hanif, who incidentally was his first colleague in A K Engineering – and had always been his confidant and well-wisher- made an unexpected suggestion to him. Why don't we start a mechanical seal business? Umar Balwa looked at him with a quizzical expression and answered, "Do you know what it takes to start a mechanical seal company?" He said, "Yes." He asked him if he was willing to go through the grind and the pain of starting out again. Umar Balwa pointed out that we were merely 22 when we started out in 1989 as opposed to our current age. We were both in our mid-forties and so he wondered aloud if their energy levels had abated. Even as he posed these rhetorical questions, he knew that Hanif Chaudhary and he didn't really have any doubt in one another's abilities. In reality, from that moment on, a new idea had begun to germinate in their minds.



In January 2012 <u>Sealmatic</u> was born. As it started out of a small premise of 220 sq meters, waves of nostalgia came rushing back. This time around they were enriched by wisdom. They had learnt important lessons from the past failures and hard-earned successes of recent decades, which

would of course remain deeply entrenched in their minds and make them more aware of their responsibilities. But yet they had brimmed with boyish enthusiasm. However, no amount of experience is enough because honestly speaking, every experience is new and in spite of all the knowledge one gains, trials and tribulations follow a start-up. Sometimes, during the journey with Sealmatic, circumstances got so trying that Umar Balwa questioned his decision to begin again. What prompted him to restart the painstaking process?

As for Umar Balwa, he soon realized that he had more to lose in his second innings. In 1989 he had his entire career ahead of him but this time around he had an immensely successful history in the business of mechanical seals behind him, and the expectations of others as well as his own were high. Moreover, he had to swallow his ego and his pride, and reintroduce himself to customers as if he were a beginner, which he was not. He had decades of experience behind him but no badge to wear on his shirt. He was back again from where he had begun. On the autobahn, the autostrada, the highway, the motorway- whatever name you call the road- he was there, bag in hand, and aspirations on his sleeves. Even though he had no reason to worry about the factory back home- due to the good work done by Hanif and his family, as well as their earnest employees- He had to garner the strength to revisit his youth. Every so often he received a rude reply from someone who had never heard of them and didn't care enough to give him a few minutes of their time. Yet, he had little choice but to persist. It was a commitment he had made to their respective families and their employees.

The financial aspect of any enterprise only comes into play after a long period of time. At first, it is a genuine appreciation of the product that an entrepreneur seeks. Ultimately, a good business is developed by keeping one's eye on one goal at a time just as a long journey becomes easier to embark upon by eyeing one milestone at a time. Over the span of the last several years, he had to undertake long arduous tours to scout for customers. He drove through cities, big and small, crossed states and countries, and traversed the world to make Sealmatic a company that is worthy of international recognition. He had come a long way from the boyish young man of 1989 who came to Germany and wondered if he would ever drive on the autobahn. Today he has clocked more than 200,000 km behind the wheel on foreign roads and yet he feels as though he has merely scratched the surface. There is so much more to explore, earn and experience.

Over the years Sealmatic has become synonymous with mechanical seals with deliveries to more than 43 countries. It has the distinction of being the only Indian mechanical seal company to have the API Q1 and ATEX certification and a long list of satisfied customers. He must say here that his brother Hussein Balwa has aided them and put his faith in them through this journey. With his support, we shifted our factory to a state-of-the-art building in the year 2017. The date to be precise was the 19th of May which made for an interesting coincidence; it was on the same date 28 years ago that he had stepped into the mechanical seal business. He felt as though his life had completed a full circle and he stood at the threshold of a new one.

The modern plant of <u>Sealmatic</u> has grown exponentially since the 220 square meters it was at its nascent stage. Above all, every colleague is proud to be a part of this journey and the company. Anything more to add here about a company such as Sealmatic which is growing every day will be

premature. Sealmatic is the sum total of the efforts of all the people associated with it and a vision that Hanif and Umar Balwa shared. It's proven to us that a dream that is pursued with dedication earns the right to be called a vision. To future generations, he would like to say that a seed sown by Hussein Balwa in his respected father's name via a relatively obscure company called A K Engineering proves to us that the name of a company can change over the years, as well as the hands running it, but its goals remain intact. He was given the privilege of watering this seed and nurturing it to its full potential, a process that is ongoing, but he trusts that when its heirs enjoy the fruits they will remember where it all began.

A learned and experienced person from the mechanical seal industry asked him. "Why are you entering the mechanical seal business again?". What could he say? He was 22 when he found his way to this industry after experiments in various other lines of work, but once he set foot into the mechanical seal business, he knew that he had found his calling. Sometimes, we meet our fate when we least expect to. He had no other way to express his choice. The explanation Umar Balwa gave him had made both of them smile.

"Once A SealMan Always A SealMan," was his simple reply.

By:

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