

Industry Outlook TOP 10
**SEALING SOLUTION
PROVIDERS - 2023**

*Cover
Feature*

Umar A.K. Balwa
Managing Director

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We ensure
that we
make each
of our
production
processes
safe for our
employees
and the
environment



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SEALMATIC

**A COMPANY WITH HIGH EXCELLENCE
RECORD IN MECHANICAL SEALS**

As the capabilities of the Indian industry has grown over time, all industrial sectors can now be benefitted from the introduction of cutting-edge technology. Mechanical seals are expected to be in high demand for many years due to the Indian government's special encouragement to invest massive sums in the country's critical infrastructure. As a result of increasingly stringent regulations, industrial facilities must use mechanical seals on all rotating equipment. Sealmatic, a major player in the sealing technology market, is dedicated to providing cutting-edge solutions for the vital process industry. It has made a name for itself by providing innovative, specialized sealing solutions that promise longer service life with its heavy-duty mechanical seals. Because of the demanding requirements of superior sealing technology, Sealmatic has been motivated to continue growing for the past 30 years.

In an exclusive interview with Industry Outlook Magazine, Umar A.K.Balwa, Managing Director at Sealmatic India, walks us through the unique traits of the company.



How do you feel about the SME listings that have gained tremendous success in the recent past?

According to my experience and understanding, this is only the beginning of the history being written about the critical role the SME segment will play in the country's success to becoming a global manufacturing hub. Strong performance of past SME IPOs has spurred investors' interest, with 87 small and medium enterprises (SMEs) garnering Rs.1,460 crore through initial share-sales in the first nine months of the year 2022. This was way higher than 56 companies

that had raised Rs.783 crore through initial public offering (IPO) in the entire 2021, the industry data showed. SME segment is not impacted by the bearishness in the market and investors are looking forward to the healthy pipeline of IPOs going forward, while many companies have filed or planning to file their documents for listing on the BSE, SME and NSE Emerge platforms. I have filed Sealmatic's DRHP on January 05th, 2023 with the BSE SME platform.

There are approximately 15,000 high-quality SMEs located across the country, engaged in high-end manufacturing in every field imaginable. In the coming years, our country will undergo an industrial revolution, transforming it into a powerhouse comparable to Germany, Japan, and South Korea.

How do you view the future of the SME sector in India?

In India, the Small and Medium Enterprises (SMEs) sector plays an important role in the Prime Minister's vision of Atmanirbhar Bharat, which aims to build a \$5 trillion economy. We have recently seen growth in the SME sector as a result of various initiatives launched by the Government of India and the Reserve Bank of India (RBI). SMEs are the backbone of India's economic growth, accounting for at least 30 percent of the country's GDP. Furthermore, the sector employs nearly 100 million people, making it the country's second-largest employer after agriculture. As a result, the growth of this sector is critical to India's future.

What is the capacity utilization in the current operational manufacturing unit of Sealmatic? What is the capacity of the proposed second unit?

Our current capacity utilization rate is approximately 85 percent. We made about Rs.43 crore in revenue in fiscal year 2021-2022, and we can increase it to Rs.55 crore from the current unit. We are in the process of establishing a second unit to add 60 percent more capacity, for which we have already signed a lease agreement, and the unit will be operational by the middle of the next fiscal year.

Please tell us about Sealmatic's global position in advance sealing solutions in the process industry, kindly tell us about your journey into this industry so far?

After graduating from the University of Bombay in 1988, I began my career in the mechanical seals industry. Following that, we formed a 51:49 percent equity joint venture with Feodor Burgmann of Germany. We ended our joint venture with the German partner in 2007, after 17 years



of investment in the mechanical seals business, due to the takeover of the parent company in Germany by a larger conglomerate. Sealmatic is a global player in the sealing technology industry, committed to cutting-edge solutions for the critical process industry. We ship to more than 45 countries around the world. Over the years, there has been a vacuum in the market, which has been completely dominated by the three big boys of the mechanical seals market; we wanted to change that and show the industry that an indigenous manufacturer can be equally competent and supply high-end sealing solutions at a competitive price. Aside from the three big boys, Sealmatic is the only company that supplies mechanical seals as an OEM for 660 MW supercritical thermal power plants.

What are the major factors that set Sealmatic apart from other players in this segment?

We are proud to say that we have had over 100 visits from international customers to our premises, and all of them have said the same thing – ‘state of the art international facility’ - not only in terms of employing hardware and software, but also of implementing very high international standards and a

highly trained team. We are proud to say that we are the only Indian company with API Q1, ATEX, and EU FDA certification for mechanical seals. Furthermore, as a domestic mechanical seal company, we are the only one that uses FEA and CFD for mechanical seal hardcore design and development. We have tools like MSD (Mechanical Seal Dictionary), SSG (Seal Selection Guide), AKH (Application Know How), and many others that have propelled Sealmatic into the international league. We are recognized and respected around the world as a high-quality mechanical seal company.

What kind of market share are you looking at in the future and are you satisfied with the success of Sealmatic?

The mechanical seals market in India is currently worth Rs.1900 crores and is expected to grow to INR 2800 crores by 2028. We are well positioned with our infrastructure to achieve our goal of becoming one of the top three mechanical seal companies in India, with a 15 percent market share in the coming years. I'd like to thank all of Sealmatic's stakeholders, especially the Sealmatic family of 240+ employees. We look forward to growing together and making India a global industrial hub. [ln](#)