



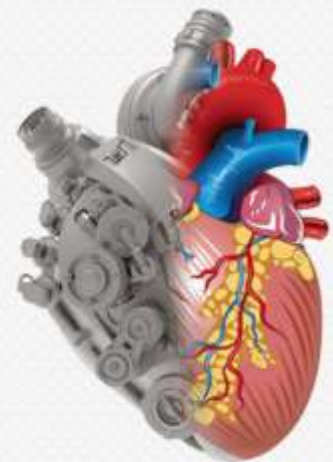
Mr. Harishchandra Gupta - Chairman & MD

ROTO PUMPS

Compact Size - Commendable Performance

WE COMPETE WITH
ONLY ONE PUMP

Pumps Designed to deliver untiring performance persistently >>>



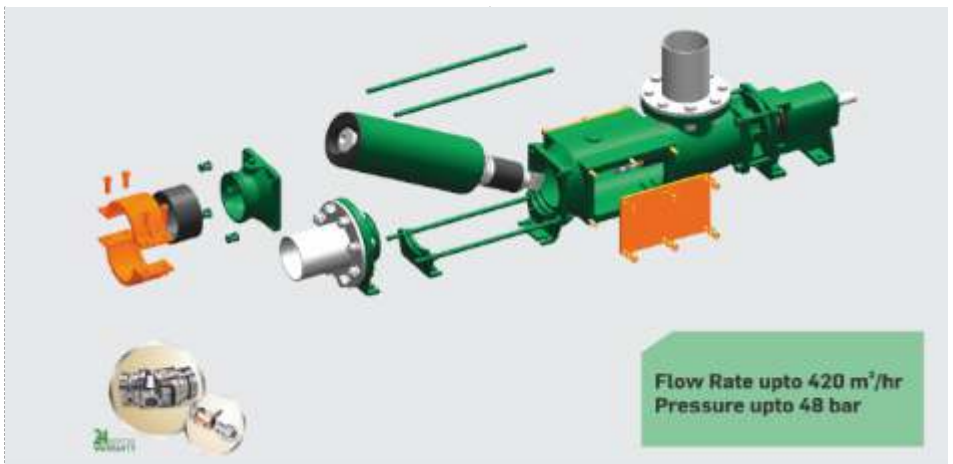
WHAT WERE THE OPPORTUNITIES YOU SAW FOR YOURSELF AND THE COMPANY WHEN YOU DECIDED TO TAKE ON THE ROLE?

When this company began earlier as a partnership firm way back in 1968, the founder invented a process of manufacturing a very specialized component of a pump that is now known as helical rotor pumps or progressive cavity pumps which he did on his own. The necessity of that was felt by him when he was running his coal mine because these types of pumps were being imported from England. At that time, he felt there was a problem as import duty was 200 percent, and getting a license for it was a nightmare. So he thought, why can't we manufacture these pumps in India and this is going back to the 1950s when that thought came to him and the environment around the total industrial change in India was hardly making any changes at that

time. So it was like challenging the best because nobody manufactured it and nobody knew this pump was developed by a French genius about 100 years back. Mono Pumps were the suppliers to India because it was this part of the colony that had a license from this French company. So my father was using these pumps in his own coal mine and had difficulties running it. I saw him in a very ugly state when I was a kid. He used to sleep with the Rotor under his bed and my mother would say, "What are you doing, I think you've gone mad and why do you keep having this thing on the bed" and then he kept it under the bed and used to look at it and do calculations. So what he was trying to do was to figure out a mathematical way of producing this component which is known as a Rotor. The Rotor is the heart of the pump and he did it by himself. That's how the enterprise was set up. In his initial years, these pumps were known only for mining as a mining pump and nobody believed

in the company. We were in Kanpur. This all started in Kanpur because nobody could believe that a company, that too a small company or a firm could do such a wonderful thing because everybody else was a licensee and nobody had a clue of how this complicated component was produced. So when he did that and we started, that's the time I joined. Even we started to look at supplies cares for mono pumps which were already existing but nobody believed, so we had to give them a couple of free samples to make them believe that "Yes, we can do it". So my job in the earlier part of my career was to focus on sales because we knew how to make it and having made that component, other parts were as simple as using items that could be easily copied and that's how we started selling first spares for mining pumps. Soon after that, we came out with the pump and we were the first in India to offer complete pumps to mining industries and that is how we were

lucky to get Marshall Sons & Co. (India) Ltd. They were the original im-porters of these pumps into India and they became our sole selling agents. In the past, exclusive to mining we started looking at other applications which Marshalls never bothered so I got lots of literature from them which was telling us that these pumps can be used for chemical processes, environment, excellent treatment, and many other appli-cations. Then we started working on spreading our wings in other industries and that's how gradually the industrial part of the business started growing and after this achievement of coal mines, we continued to be a prominent supplier. We also started in centrifugal pumps for mining industries and that gave a contribution to our founder because he was doing multi-stage centrifugal pumps for pumping the watering. So we were one of the most prominent suppliers and we were out of the three years larger than others but mind you, they were only doing centrifugal pumps whereas we were doing centrifugal pumps as well as progressive cavity pumps when nobody did progressive cavity pumps. The buyers later left our company, took the technology from us, and started doing these pumps so these were the pioneers. They are the market leaders and all the small companies these are from are called ex-Roto. This is a long journey of 55 years and you do seem to lose control over the others but we have again shifted our entire work from Kanpur to Noida. Then we normally set up a new MNC there which is now our corporate office excusing me for expose because, by quality standards, we could at-tain what was acceptable of the domestic market which was not open to import things and we realized that another two were viscous and



exposed, so the quality had to be up-graded. So a unit was set up in NSEZ in two to three zones that exclusively tackled the export market. That's how the journey in the export market was spread out in the early 90s and today we're quite confident. As you would've known it came with substantial market share, for instance in Australia, our market share is No. 2, and worldwide we are ranked No. 7. In this progressive cavity field, over a period of time, we have started overseas of mainly distribution companies and stocking facilities and that was started in 2001 in Australia followed by the U.K. in 2004. You know, presently this is how we ex-port to two thirds and one third is for the domestic market which we understand is going to become more important because the way the investments and infrastructures are taking place, they would continue to be an important market for us wherever we are marketing. We are into varied industries which are prominent. Since I'm talking globally, it will be wastewater. Wastewater has two sides - industrial wastewater and municipal wastewater. We are in both of these and the chemical and process which includes practically every industry in food and process.

WHAT ARE THE PLANS FOR THE COMPANY'S GROWTH IN THE MEDIUM TO LONG TERM, SAY 3 TO 5 YEARS TIME?

Up till now, it has been to increase our market share for all the markets we're present in and also the medium markets which we're present in ourselves. It's a small market of dealers, distributors and so the first objective is to establish product acceptance if they're in already demanding markets. We wanted to increase our market share in all these markets. Back then we were introducing above-the-ground pump applications, now we're going for something of an underground pump to bring the oil from underground. So that's one area where we are moving. It's been set up and that would also cater to the same facilities. It will cater to what is known as a Mud motor. The Mud motor is basical-ly a drilling technology where you use the same rotor and stator which is used there. Of course, it's made differently but the concept is the same. So we're going to do your pumping elements which are the rotor and stator for mud motors as well. We are going underground in terms of submersible pumps. So less submersible pumps in a big way and for that, we're setting up another manufacturing unit. That's how you know we are extending our wings and we continue to be in the core competency area which is the equipment for fluid handling. That's how we see ourselves growing very steadily. In 4 years our company value would be 500 Crores.

and also timely delivery. This pump is not a mass-produced pump, it's almost a tailor-made pump. Having said that, they hire the pumps which move faster so you can afford to have a bigger batch and buy in large. Each and every pump is sold for its specific duty and that's where the concept of wading installation comes into place. We have to be very careful in choosing our vendors. At times we give a higher price and we're happy doing that because we're ensuring that the quality is not compromised.

ARE THERE ANY OTHER BENEFITS THAT YOUR COMPANY GETS AS A RESULT OF HAVING THIS STRATEGIC AND STRONG VENDOR RELATIONSHIP?

I think one of the things is that we become important to them so that they'll look after us on priority and we also pay them on time. So they value us as an important customer and they put their best input forward. Sometimes on the technical side, whenever we get some components manufactured, we go out and tell them how to do it differently in a more cost-effective manner so that they also save money and part of that money they save can be transferred to us by lowering their prices. So they're very happy doing it because the base of the company was discovering a manufacturing technology for manufacturing that very complicated part. So we are happy to share what we know with them so that they can do it in a more cost-effective manner. In our manufacturing setup, we have some very state-of-the-art, not only manufacturing but testing facility. That testing facility is of such an order that during the covid period, people didn't have to come to typically inspect the pump. They could inspect the pumps in a virtual manner. This is known as a start-up-based testing facility. We were the first to install such a thing. Maybe somebody has already done this with centrifugal pumps but we enable the customer to see this very pump and its readings through the meters in a digital meter as the customers couldn't come. We accept them by asking "why don't

you have an experience and see if you're satisfied, then you can wave the inspection or when there's no covid you can come. I think we've had good success with the Indian Oil company as a valued customer. So there was no way they could travel from Assam, Digboi, or some places. We have 7 express machines 5 express machines so we're a very well laid out manufacturing infrastructure.

TO GIVE ME AN INSIGHT INTO YOUR OPERATIONS, HOW MANY VENDORS DO YOU HAVE FOR YOUR BUSINESS THAT ARE KEY?

I would not know the common but I can just give you an example that we believe we should not have too many vendors because then we're not important to them and they won't give a focus to them. So our policy is to have the main vendor or at least two vendors. If something goes wrong with one vendor, we can switch over to another. In most of this, casting is a critical case. We would also have a geographical limitation. We got some casting vendors in Gujarat and some are in North India in NCR. So we don't want too many vendors. The policy is that we have two, maximum of three vendors for something that we buy in great quantity. We don't want that situation where they're offering the lowest. The fact that you buy in bulk, prompts these vendors to give us a good rate aiming the quality. So that's what we are. It is kind of a partnership that we have with them and they are very happy because we also pay them on time. We are one of the very good paymasters. So this is how they look at it. For the rubber pumps, the rubber comes from large companies. They have got agents in India that import in bulk and that is an important thing, otherwise for bearings and other things we don't really use too many as most of the pumps are close-coupled. We couldn't buy such a great deal as we were not using a bearing housing. What we buy most is casting and that next would be rolled steel, stainless steel, and rolled material. That would be number 1. Number 2 and other things would be, small bought out

components as we call them small bearings and things like that. So we established quality suppliers and we stick to them.

WHO PROVIDES YOU WITH CASTINGS WHICH ARE THEN PROVIDED FOR THE VENDORS? FOR EXAMPLE, TAKE RUBBER COMPONENTS. WHO PROVIDES YOU WITH THESE COMPONENTS?

The casting comes from various foundries. Some of them are located in Gujarat and some of them are located in North India. Most of the stainless steel castings come from Gujarat, and the chemical steel castings are of two types, one is investment steel casting that comes exclusively from Gujarat and then there's the casted stainless steel which is sand cast. That's a small part. This is how the casting is inspected and that's how it is there. Rolled stock is something which is available in the market and we insist that we buy it branded from a good source directly as far as possible. Rubber which is used on our rubber unit is a separate rubber component manufacturing unit where rubber and chemicals are bought. We buy it locally but it's against our order. Pumps with bearing housing require fewer and fewer bearings as pumps, so most of the pumps are directly coupled to the gear motor which has its own bearing. We don't buy too many bearings.

WHAT DO YOU THINK WOULD BE THE KEY BUSINESS MESSAGES THAT YOU WOULD LIKE TO SHARE WITH US?

For any engineering companies under which category we are broadly under, it is important to have a very good manufacturing infrastructure. It should be under your command because that's what's important to ensure that the quality is maintained and on-time delivery is there. And this sometimes means having a little bit more resources than what you would need because our business is a bit cyclic and sometimes all of sudden, there's more demand and big orders.