



SINTERCOM

24th July, 2018

To,
The Manager- Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1,
G-Block, Bandra- Kurla Complex,
Bandra (E) Mumbai 400 051, India

Subject: Interview of Mr. Jignesh Raval, Managing Director in Magazine

Ref: Series SM & Symbol: SINTERCOM

Dear Sir/ Madam,

This is to inform you that below mentioned magazines has covered interview of Mr. Jignesh Raval, Managing Director of the Company. Please find enclosed herewith scan of the interviews.

1. Engineering Review (India's Leading Industrial B2B Magazine) – June, 2018 edition;
2. Automotive Products Finder- July, 2018 edition

Thanking you

Yours faithfully

For Sintercom India Limited

Anuja Joshi
Company Secretary and Compliance Officer



Encl: As above

SINTERCOM India Limited

Add.: Gat No. 127, At Post Mangrul, Tal.: Maval,
(Talegaon Dabhade), Pune- 410507. India.

CIN. U29299PN2007PLC129627

Tel. (D): (0) 0211 466 1200 | Fax: (0) 0211 466 1202
info@sintercom.co.in | www.sintercom.co.in

**Formerly known as
Sintercom India Private Limited**

Registered Office



ENGINEERING REVIEW



www.engreview.com

India's Leading Industrial B2B Magazine

BPT
BIRLA
PRECISION

Our vision is to
be a **world class**
organization



An interface with:
Mr. Vedant Birla
Chairman and Managing Director
Birla Precision Technologies Limited
Pg. 40 - 41

IN FOCUS

FEATURE ARTICLES OF THE MONTH



Setting Sights On Spiralling Demand For Sintered Components
...pg. 42
Mr. Jignesh Raval, Managing Director,
Sintercom India Limited



Ensuring 'A' Class Quality of Projects IRClass Systems And Solutions
...pg. 62
Mr. Naresh Gupta, Sr. Vice President
& Head-Industrial Services,
IRCLASS Systems And Solutions Pvt. Ltd. (ISSPL)



The World Leader in Thermal Imaging Cameras

Setting Sights On Spiralling Demand For Sintered Components

In this interview with Huned Contractor, Sintercom India Limited's Managing Director Jignesh Raval elaborates about how the growing demand for sintered components in the automotive industry has given the company a tremendous boost

Sintercom India Ltd. is one of the leading automotive sintered components manufacturer located in Pune. The company specializes in manufacturing medium to high-density sintered components for automotive engines, powertrains and exhaust systems as well as sensor components for its customers. The company's product portfolio includes drivetrain gears, engine sprockets, pulleys, crankshaft bearing journals, transmission gears and synchro hubs, as well as ABS rings and hot exhaust gas oxygen sensor (HEGO) bosses and flanges. In its recently declared financial results for the year ended March 31, 2018, the company has posted revenues of Rs 74.56 crore with EBITDA of Rs 17.68 crore as against Rs 13.11 crore last year, up by 34.8%. Its PAT is Rs 5.45 crore as against Rs 1.27 crore last year, up by 330.8%. In the following interview, Jignesh Raval offers insights into the company's operations and its strategy for future growth:

Q. Could you brief us about the company's journey so far?

Sintercom was established in the year 2007 and commercial production started in the year 2010. Today, we are one of the leading automotive sintered components' manufacturers. Sintercom entered into a joint venture with Miba Group in 2011, one of the global leaders in sintering technology. Miba Sinter is close to Euro 400 million globally. Starting with stainless steel HEGO boss products, we can now proudly say that we are the leaders in the manufacturing of sintered synchro hubs. Sintercom specializes in manufacturing medium to high-density sintered components



*Mr. Jignesh Raval
Managing Director
Sintercom India Limited*

for automotive engine, powertrain and exhaust systems.

Since its inception, it has been committed to create awareness of the sintering process and focuses on automotive components and drivetrain parts. We provide our global customers with high-value proposition of high volume, high precision and low cost components, tailored to their specific requirements. In terms of achievements, we were honoured with the Best Supplier Award for design and development by Maruti Suzuki Ltd. in 2015. In the year 2018, the company has been listed on NSE Emerge.

Q. Could you elaborate about the product portfolio?

Sintercom's products portfolio can

broadly be classified into the following: engine, transmissions, and body and chassis stainless steel parts. The engine product portfolio includes engine drive gears, chain sprockets, belt pulleys, cam-to-cam gears and engine shaft bearing caps for engines ranging from 800 – 2,000 cc. We manufacture a broad range of components for transmissions hubs from 60 N/M to 400 N/M for both petrol and diesel vehicles. Sintercom has also specialized as a stainless steel sintered parts manufacturer. These are used in the exhaust application of the vehicle.

Q. Could you provide details of the production infrastructure and capacities for various products?

Sintercom has one of the best in-class production facilities located at its Pune plant. The equipments are the best available in the industry. For example, we have installed various compaction machines ranging from 70 MT to 500 MT. Further, the company has installed sintering furnaces with a total capacity of 1,980 MT as of March 2018. Currently, the company has added a new furnace of 1,600 MT to meet our customers' demands.

Q. What is the engineering expertise that the company provides to its clients or what is the USP of the products?

Sintercom is market leader in sintered synchronizer hubs and that is our biggest USP. We convert high-strength synchro hubs from forged to PM sintered parts. We also offer high-strength sprockets and pulleys for diesel engines, high-strength and wear-resistant cam gears for diesel engines; light-



weight components with better NVH and FE performance; flexible material choice for variety of usage such as PV, UV and CV, and technological partnership with one of the leading global players in the industry.

Q. Could you name some of your leading clients?

The list of esteemed customers of Sintercom includes leading automotive OEMs like Maruti Suzuki Ltd., Mahindra & Mahindra Ltd., Bajaj Auto Ltd., Fiat India, Hyundai Motors, etc.

These major customers contribute close to 90% of our revenues. Other than these OEMs, Sintercom also supplies to Tier I suppliers like Schaeffler Group, Divgi Warner, KHM Drive Systems and Sona Steering.

Q. What is the size of the market for sintered components in India and how will it shape up in the coming years?

Based on the data published by PMAI, approximately 4 kilograms of sintered components are used in a vehicle in India whereas the same goes up to 12 kilograms in Europe and Japan. This in itself speaks of the huge potential this market offers. Based on the market study and reports from CRISIL, when we consider these 4 kilograms of the sintered component, the sintered product market is close to Rs 900 crore. And this is only about the organised segment market. Based on the expected increase in the PV segment, this market has the potential to double its size in the next three years. By 2020, this market has

the opportunity to touch Rs 2,000 crore. Further, with the BS VI emission norms around the corner, there is going to be an increase in demand for sintered components because of the complexities and criticalities involved.

Q. What are the reasons for the company having done financially well in the last fiscal?

The major growth drivers for the company include improvement in sales at 15% year-on-year during the financial year. Meanwhile, various new development projects with key customers have received approvals and we have also received schedules to start commercial production. These parts have added to the topline. Further, reduction in the operating costs and special freight costs have contributed to an increase in the profitability of the company.

Q. What are your expansion plans for the coming year?

Our strategy for expansion over a short-term period would include the expansion of our existing capacity at our plant located at Talegaon in Pune. Typically, the order booked for the company is one year's firm order plus two years' tentative schedule. Based on the order book, we plan to increase the capacity on the compaction press and the sintering process phase-wise. In the current year we have increased the sintering furnace capacity from 1,980 MT per annum to 3,600 MT per annum. On a parallel track, during the year 2018-19 we propose to increase the compaction



press capacity to 12 million strokes per annum from 9.45 million strokes per annum. We propose to maintain average plant capacity utilisation at a given point of time below 75-80%.

Our long-term strategy is to enhance customer base and product base with mandate for compliance with BS VI norms by the year 2020 and integration of the new technology of metal injection moulding along with improving our functional efficiencies.

Q. What about exports?

Sintercom has good potential available for export as well. However, currently the company is focused on the domestic market owing to high demand for its products from our Indian OEM customers. The company will look at the potential of extending its customer profile overseas in the next 2-3 years.

Q. Does the company engage in research and development programs? Could you cite some of the recent innovations?

Sintercom has an in-house dedicated research and development team. The main focus of this team is continuous improvement by way of technological innovations. The company has provided many value-addition propositions to its customers, which have helped them to improve their product efficiency and make their products cost-effective.

One of the recent examples is of using Miba Denscal® technology wherein we have eliminated the grinding operation and have also improved the product quality. ■

Automotive

JULY 2018 • ₹100

Products Finder

Towards Green Mobility

KNOW HOW AUTO COMPONENT MAKERS ARE HELPING OEMS TO MAKE ECO-FRIENDLY PRODUCTS



VIEWPOINT

UDIT SHETH,

Vice Chairman, Setco Automotive

HARSHA KADAM,

President - Industrial Division, Schaeffler India

VISHAL KABADI,

COO (Operations), Magneti Marelli Motherson

ALSO READ

- Why intelligent in-vehicle infotainment can be a key differentiator for OEMs
- Emerging trends in SUVs market
- How digitalization helped Uno Minda to increase supply chain efficiency

Instant Subscription



ASAPP[®]
INFO GLOBAL GROUP



With the scope of sustainability extending beyond factory boundary walls, it is expected that the adoption rate of greener technology amongst component manufacturers will increase in the near future.

- Nitin Kalothia,
Director, Sustainability Initiatives and Manufacturing & Process Consulting Practice, Frost & Sullivan

Volkswagen plant in Pune has achieved a 27.5 per cent reduction in specific 'energy consumption' and 26.1 per cent reduction in specific 'CO2 emissions' as well as a 17.6 per cent reduction in water consumption and a reduction in specific 'VOC emissions' by 11.7 per cent. With initiatives like these we aim to drive awareness, inspire social change and support our customers in their environmental friendly actions as well," says a Volkswagen Passenger Cars official.

Over the years, the concept of sustainability has been gaining importance in automotive & auto component industry. **Nitin Kalothia, Director, Sustainability Initiatives and Manufacturing & Process Consulting Practice, Frost & Sullivan,** opines, "There are multiple factors driving adoption of sustainability in India. Increasing awareness about climate change risks and opportunities, India's commitment at international platforms to curb environmental impact, stricter government regulations, organisation's brand image, peer pressure and most importantly, business case for sustainability, are some of the key drivers of sustainability. Efficiency improvement in energy, water, waste, packing recycling, etc are providing clear cost benefits to

organisations. Adoption of sustainability practices in auto ancillary organisations is limited to a very few companies and is driven by OEMs. Auto companies have realised the importance and opportunities available in supply chain by driving sustainable development and that is driving the concept to suppliers."

SUPPLY CHAIN OPTIMISATION

Logistics optimisation, recycling and reusing packing material, vehicle weight optimisation, increasing percentage of recyclable materials in the product, etc are some of the initiatives adopted by automotive companies to reduce their carbon footprint. Kalothia elaborates, "Logistics optimisation by having supplier parks in the vicinity of the assembly plant, vehicle volume and weight optimisation, reverse logistics, IT enabled logistics performance monitoring etc. have been the biggest contributors to carbon footprint reduction. Change in regulation and adoption of newer emission norms for vehicles have also contributed significantly to carbon reduction."

Automobile makers in India are taking many steps to reduce their carbon footprint not just within their facilities but also beyond the factory walls. Volkswagen introduced its first new-age digital experience set-up in Coimbatore, Tamil Nadu which assists in the brands transition to a paperless set-up. "The state-of-the-art facility, Volkswagen Coimbatore is equipped with self-learning digital kiosks for customers to explore the entire range of Volkswagen carlines and enables information sharing through digital channels as well, displayed through informative screens. The network has also considerably contributed to energy conservation efforts through the extensive use of solar energy," adds Volkswagen Passenger Cars official.

Increasingly auto makers are demanding more eco-friendly products from their component suppliers. Few of the OEMs have involved suppliers in their sustainability strategy. "They have taken efforts to train them and have worked closely with them to create a sustainability roadmap. Though, such examples are very few in the country, these are expected to increase significantly over next 5-7 years.



At this juncture, component manufacturers like SEG Automotive have a major responsibility in shaping the sustainable future of the auto industry together with the OEMs.

- Anil Kumar M R,
MD and Regional President for Indian operations, SEG Automotive

As part of the sustainable sourcing policy, companies have started sourcing energy efficient products but it is mainly in the engineering products and spares segment. Demand for energy efficient products from component manufacturers is not a mainstream activity," explains Kalothia.

For any company, it is important to identify its short and long term risks and opportunities before defining its sustainability strategy. "While most auto companies focus on risks on account of change in regulations, technology and customer's preferences, they also have to consider the risks and opportunities associated with climate change while defining their sustainability strategy," opines Kalothia.

MAKING PROCESSES GREEN

Auto component makers, on their part, are also looking to adopt eco-friendly processes to make products. For example, Sintercom India has been producing automotive components using sintering process, considered to be an eco-friendly process, since 2010, and today it is one of the leading automotive sintered components manufacturers.

According to **Jignesh Rawal, Managing Director, Sintercom India,** powder metallurgy (PM) sintering is considered as a green-machining process, whereas conventional metal-forming



We also look at how we can help customers reduce their footprint by using our innovative products, which can help them to get better output.

- Georg Graf,
Regional Representative,
Freudenberg India

processes such as forging and casting are considered polluting processes.

He explains, “The sintering process in itself is a green technology. The raw material for the sintered products is manufactured from metal scrap. The metal scrap is melted to produce the metal powder. With the use of sintering technology, various critical components are manufactured net shaped. Thus the yield on sintered parts is close to 98 per cent as against the traditional processes wherein the yield could be as low as 60 per cent. Thus, there is lesser scrap generation and the components are produced net shaped. Further, the process of manufacturing/sintering is environment friendly and does not generate carbon di oxide from the furnace. These furnaces are electric furnaces and use nitrogen gas for the desired composition.”

The sintering process of manufacturing does not call for high demand for water consumption. “Water is used only for the purpose of cooling section which is recirculated. The sewage water generated in the system is processed through the ETP/STP plant and reused for other facility requirements,” adds Rawal.

Changing emission norms and other regulations are also having an impact on the products that OEMs are demanding. Rawal said, “The OEMs are demanding for more energy efficient products. Thanks to the proposed transformation of BS VI norms by 2020, require significant

engine technology changes including improvement in engine combustion and calibration reduced NOx levels. This norm pushes OEMs to look for opportunities for increasing use of new technological processes like PM components etc in order to adapt to this changing technologies.”

To achieve stricter emission norms, new technologies are required to be adopted for making fuel efficient engines and lightweight powertrains. Significant weight reduction is required for all the systems of a vehicle. This can be achieved by reduction of weight of all components by design optimisation and use of superior material. “We offer end to end solutions to our customers to produce more complex parts in shapes and designs due to its higher yield, lower processing times regardless of the profiles. Along with reduction in pollutant emissions, sintered components have voids and porosity which also help in absorbing the noise generated by the vibrations better than the forged components. Further, the sintered component is manufactured with lower density as per the requirement of the application than the tradition forging process. This reduces the component weight and, thus, improves the overall vehicle efficiency,” explains Rawal of Sintercom.

RIGHT STRATEGY

For the success of green initiative, it is important for companies to have right sustainability strategy. For Freudenberg, German auto parts supplier, sustainability has two dimensions – footprint and handprint. While footprint describes what



Globally, Continental is working in updating its environmental strategy for the time up to 2030, aligning ourselves with the United Nations' 17 sustainable development goals (SDG).

- Phanindra Karody,
Head - Bangalore Central
Electronics Plant, Continental
Automotive India

Freudenberg can do within the company to reduce environmental impact, handprint means helping its customers to achieve their green targets.

“The search for sustainable production processes is an important part of Freudenberg’s DNA and is firmly anchored in the values-based technology group. Topics such as energy and material efficiency, the sustainable use of resources and the reduction of waste are important in minimising the company’s footprint. Continuous improvements in these areas help Freudenberg take responsibility for society. Responsibility for society means that Freudenberg also helps customers

