

HARSHA ENGINEERS

Pioneer of bearing cages in India

ESTABLISHED in 1972 with a turnover of Rs.40,000 only, Gujarat-based Harsha Engineers Limited (HEL) has evolved a new market of bearing cages in India, first of its kind. Today literally, it has become India's leading auto component and cage manufacturing company with a considerable presence in international market coupled with 90 per cent market share in India.

Basically it was the herculean effort by two young technocrats namely Mr Raju Shah (Chairman and MD) and Mr Harish Rangwala (Director) that was responsible for the creation of today's Harsha. Its product

range comprises of cages for taper roller, ball, cylindrical, spherical and special application bearings as well as special purpose stamped components. It started its business only in manufacturing cages for bearing industry and the Tata Bearings (A division of Tisco) was the first customer for taper roller bearing cages.

Going down the memory lane, Mr. Harish Rangwala says, "Initially we were doing some odd jobs for the industry in 1972. Then we saw an advertisement from Kolkata in 'Times of India' that there was a French company in collaboration with an Indian firm with a plant in Kharagpur. They wanted people who could introduce cages. We approached them and this was our first job."

In 1982, HEL commenced manufacturing brass machined cages as an import substitute. Again in 1993 the company set up a new plant in Changodar (Gujarat) introducing the state-of-the-art manufacturing facilities for the first time in India for pre-rievted ball bearing cages with automated Japanese machines and technical know-how from Japan. However, the tool room with CNC machines was established with German and Japanese facilities in the same year. Reveals Mr. Harish, "Our core competency is our tool room. Our tool room is well-equipped with precision CNC machines like Sodick, Wedm, Sodickedm, Deckel Jig-boring, Deckel Hard milling, Height Master etc. Banking on this factor, we want to go for automobile components."

HEL enjoys good stake in the international market. 63 per cent of the total turnover of Rs.220 crore (as on March 2007) is contributed by exports. In 1998, the company set up a 100 per cent

export oriented unit in Ahmedabad with the manufacturing technology from USA for taper roller bearing cages. It exports its products to 120 countries including US, France, China, Germany and other advanced western countries.

HEL is an ISO/TS-16949: 2002 company that is the highest certification in Automobile industry. According to the company, it has been immensely benefited by the high degree of exports. In domestic market, it supplies its product to the companies like NBS Jaipur, FAG, SKF, ABC etc.

"We are very customer oriented. Quality, cost and delivery are the three factors that ensure

our smooth sailing in the world of business", discloses Mr. Harish. He adds, "Whatever we earn, we invest it back into the business instead of drawing a hefty salary out of it. Rather using that reserved cash, we concentrate on up-grading our technology." Indeed, in the last five years Harsha has been spending Rs 20-25 crore each year for the technology up-gradation and plant capacity enhancement. "We borrow money to up-grade our technology. Today our manufacturing is based on 5-6 technologies. Every year we try to up-grade our automation." Says the tech-savvy Director. In a recent development HEL has established an EOU brass shop in Moraiya, Ahmedabad, few months ago.

Currently, the company is on an expansion spree to achieve its targeted turnover of Rs. 400 crore by 2010. It is seriously contemplating to set up a SEZ in Gujarat. It will be operational by 2009 January as per the company management plan. Reveals Mr. Rangwala, "Further, we have to put up a small plant in China to meet the market demands in China. It will be a green-field project."

The total employee strength of the company is 800 people based in Ahmedabad. According to the market sources, the company is planning to go public, considering its escalating network. Deliberations are taking place frequently in this regard. In the days to come "public issue" and "acquisition of new business" will be the two buzzwords for Harsha Engineering. Its future vision is indicative enough in the words of Mr. Raju Shah. Asserts the dynamic chairman, "We are determined to achieve Rs 400 crore turnover by 2010."



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Harish Rangwala

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