

COMPANIES

China's ZWZ Bearings plans unit in India

SPECIAL CORRESPONDENT

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ZWZ Bearings, China's leading bearing brand and the global number seven, is entering the Indian market and has announced plans to set up operations in future. The Indian arm of the ZWZ Group (known as Wafangdian Bearing Group Corporation) will be named ZWZ Bearings India Pvt. Ltd. (ZWZIL) and will initially focus on sales and marketing of industrial bearings under the 'ZWZ' brand.

The \$1 billion ZWZ Group aims to expand into the \$2 billion Indian bearings market, which has been growing at 20 per cent annually. The Indian arm will first establish a network of long-

term channel partners with a strong presence in metro cities. As an early market initiative, it will launch about 5,000 types of industrial bearings in India and gradually grow this to 15,000 products.

ZWZ will supply middle, large and extra large diameter bearings up to 6 metres. Nishant Vora, Director & General Manager, ZWZ Bearings India, said, "globally, there are few companies that specialise in the manufacture of large range bearings. In India, bearings are made from small to medium-sized bearings range.

"There is a vacuum in the middle to large size bearings and extra large sized bearings, which are normally imported."

ZWZIL will be benchmarking against all major bearing manufacturers operating in India and aims to be among the top five players. It has identified key growth sectors for supply of bearings and will supply precision bearings to actual users and original equipment manufacturers (OEMs) in industries like steel, power, mining, cement, machinery, engineering, petroleum, construction and infrastructure and railways.

ZWZ is already exporting products to India worth around Rs.50 crore annually and following its entry here, it is targeting annual sales of Rs.100 crore from its operations in the first three years and expects to reach Rs.500 crore in the long run. The company is also looking at setting up a manufacturing base in the next couple of years.

Till such time, ZWZIL will import all its requirements from China. "We have begun the feasibility study for setting up a unit here and typically the investment is \$80-100 million," said Mr. Vora.

ZWZ is also looking at providing supply-chain solutions to bearing manufacturers in India. It is one of the largest manufacturers of forged and semi-finished bearing components such as races, cages, balls and rollers.

Being a leading manufacturer of precision manufacturing machines for the bearing industry, ZWZ also intends to supply the same to the Indian bearing industry through a specialised programme and marketing initiative.