

The company recently raised Rs. 1,040m through an initial public offer, which included fresh equity and offer for sale by Occidental Capital Partners

The company is planning to invest will invest Rs. 700-800 mn for expansion.

Saurabh Kalani, COO, Flexituff International Ltd is a Management Graduate and is heading the reigns of Kalani Group operations. He joined family business at young age of 23. After taking in a few years of hands-on experience he diversified Group's activities into the field of poly-woven packaging which today is the flagship manufacturing company of the Group under the name, Flexituff International Ltd. Saurabh Kalani helped the company grow into a multi-dimensional company of present stature leading a host of businesses and a team of 7000 strong people in India and abroad. Kalani is passionate about research and development initiatives and has been instrumental in developing several unique products and patented technologies at Flexituff.

Flexituff International Ltd currently manufactures FIBC, Geo-Textile Fabric and Ground Cover, Reverse Printed BOPP Woven Bags, Special PP Bags including Leno Bags. These products are manufactured at three manufacturing units located in Pithampur (M.P.) and Kashipur (Uttarakhand). Flexituff International Ltd also has a recycling and reprocessing plant at Kandla which is used for recovering polypropylene and making various compounds of plastics. Its major clients include Pankti International Pte Ltd., Singapore, Nebig Verpankegen BV, The Netherlands, Alexander Colquhoun and Sons Pty Ltd., Australia, Bulklift International Inc., U.S.A, Baobag, France, Acadia Industries Inc. U.S.A, Ashapura Minechem Ltd, Jindal Power & Steel Ltd, Micro Inks Ltd, Wolkem India Ltd.

Speaking with **Yash Ved** of **IIFL**, Saurabh Kalani says "We expect our revenue from the geo-textile business to increase to Rs. 2 billion by 2013-14 from Rs. 500mn at present."

Brief us about your business model?

The company currently manufactures FIBC, geo-textile fabric and ground cover, reverse printed BOPP woven bags, special PP bags including leno bags.

We are fully-integrated manufacturing unit and believe in producing every thing in-house to maintain the highest level of quality and delivery commitments. Our business model includes complete integration for manufacturing activities and using distributors world-wide to work as our partners to jointly sell the products to end-customers. For domestic customers we are working on B2B model and are directly approaching end-customers for their business.

Brief us about your expansion plans in India?

The company is ramping up its manufacturing capacity at both its units -- situated at Indore, in Madhya Pradesh, and Kashipur, in Uttarakhand.

The company would utilize part of the fresh issue proceeds towards expansion of its manufacturing facilities at SEZ and DTA units at Pithampur and for setting up of Dripper project at Kashipur.

What is your target for geo-textile business by 2013-14?

We expect our revenue from the geo-textile business to Rs. 2 billion by 2013-14 from Rs. 500mn currently.

Comment on your Capex plans?

The company recently raised Rs. 1.04bn through an initial public offer, which included fresh equity and offer for sale by Clearwater Capital Partners

The company is planning to invest will invest Rs. 700-800 mn for expansion.

The company is planning to invest Rs280mn for the dripper business.

What is the revenue mix?

About 65% of our revenue comes from export markets and 35% of our revenue comes from Indian market.

Brief us about your Financials?

The company has reported Net Sales of Rs. 2.73bn for the half-year ended September 30, 2011. The company's net profit stood at Rs. 187.2mn for the half year ended September 30, 2011.

The company's net profit for the full financial year ended March 30, 2011 was at Rs. 274.3mn, up by 265% as compared to Rs. 75mn in the FY09-10. Net sales for FY10-11 jumped by 62% to Rs. 4.89bn as against Rs. 3.01bn of FY09-10.

EBITDA margin for H1FY12 stood at 18.71% at Rs. 511.8mn

Are you planning for any acquisition?

We are looking at various opportunities in Europe and in Asia as well. If we get right opportunity

In which of the countries do you export your products?

We export to 30 countries across the globe, major being in western Europe, USA, Australia etc.

What is the current debt and debt equity ratio?

Our current debt stands at Rs2829.3mn and Debt Equity Ratio is 1.69.

<http://www.indiaonline.com/Research/LeaderSpeak/Saurabh-Kalani-COO-Flexituff-International-Ltd/30369185>