

Print of success

IPP emerges as the country's largest single location printing plant in India



Rishabh and Ravindra Singhvi: acquisitions ahead

Necessity is the mother of invention! It was this cliché that led Ravindra Singhvi, chairman of Rs 130-crore company International Print-O-Pac Limited (IPP).

"I was working in our family-owned advertising agency called Sobhagya and we often needed to get designs made for our clients. Once, a client wanted to get catalogue printed in a short span of time, which our printer refused to do. So I decided to set up a in-house scanning facility," recalls Ravindra Singhvi. This small step was the beginning of Ravindra's entrepreneurial venture, IPP.

A scanner was housed in a shed close to the advertising agency and used to scan and make-up pictures. This required an initial investment of Rs12 lakh, which Ravindra Singhvi generated on his own. "Our pre-press activities continued for over eight years (until 1989), after which we ventured into commercial printing," he added.

Then, in 2001, Ravindra came under the influence of his England-returned son Rishabh and IPP diversified into packaging. "My son Rishabh, who has a Masters in Finance from the London School of Economics and an MBA from Oxford, took over the expansion of the company. His two-years stint with Lehman Brothers in England had given him a global insight into running a business," adds Ravindra Singhvi.

In 2004, IPP ventured into publication printing and now prints *Outlook* magazine and its sister publications. "We have now emerged as the country's largest single-location printing plant in India," says Rishabh proudly. "And we are also India's first ISO 9001:2000 printing company."

The company has successfully realigned itself from its core business of pre-production for publishers and advertising agencies to becoming a leading paper and paperboard solutions provider. The plant is situated in

Noida, Uttar Pradesh, with a built-up area of 350,000 square feet, and there remains another 350,000 square feet available for construction within the existing eight acre premises.

IPP, which employs over 650 people, has invested in state-of-the-art printing and finishing technology. Most of the equipment is brand new and has been sourced from global leaders – MAN Roland, Mitsubishi, Bobst, Heiber-Scroeder, Kolbus, Stahl, MBO and Planeta.

IPP packaging clients includes some of the country's biggest brands – Amul, Cadbury, Nestle, Horlicks... the list is endless. Among its foreign clients are the well-known stores JC Penney and Wal-Mart, besides a host of others.

IPP offers its customers the concept of "one-supplier" – through its extensive product range. Besides supplying cartons to a particular customer, they also provide point-of-sale materials, catalogues and brochures, office stationery, diaries, and calendars to the same customer. "We do packaging for food products, pharmaceuticals, liquor, perfumes – just about anything there is a demand for. The boards that we use are organic and environment friendly," says Rishabh.

In the second week of January, 2007, the Singhvis divested a minority stake in IPP for Rs55 crore to Blue River Capital, an international private equity fund that focuses on growth capital investment in India.

"With print publishing outsourcing (PPO) growing at 20 per cent and the board packaging at 25 per cent each year, IPP intends to embark on a significant expansion programme to meet local and international demand," points out Rishabh. He adds that they are now looking towards attaining threshold volumes in each of their business areas – packaging, commercial printing, and publication printing for topline growth while simultaneously developing the next generation products vital to the bottomline.

Muneesh Chawla, director of Blue River Capital India Advisors, says his firm expects IPP to take a leadership position within the country. "IPP's integrated printing and packaging business model allows it to deploy

capital efficiently and offer complete value-added packaging solutions to large global retailers. Modern day organised retailing demands innovation in design and consistency in quality and delivery, for which IPP is well positioned," he asserts.

The turnover for the year 2006-07 is likely to be Rs130 crore. But with the growth in demand and increase of retail activity in India, the company hopes to arrive at a turnover of Rs200 crore by 2007-08 and increase to Rs 300 crore by 2008-09.

"We are importing some machinery after which our existing capacity would double from June this year. Thus, from the present one million sheets of paper and board that we print every day today, we will go up to two million," adds Rishabh.

The Singhvis say that with over 15 large retail chains expected to be launched in India, demand for paper and packaging will grow by leaps and bounds.

Looking ahead

The Singhvis are also aware that as the leader, they have to set the trend in what they do, including in caring for the environment. "We are conscious of the environment and all the boards that we use are chlorine free and have Agmark. We import our boards from China, Korea, Finland and also buy from domestic manufacturers like JK Paper and ITC," Ravindra Singhvi added.

While the company is adding capacity in existing business areas, it is continually identifying new projects to fuel its growth further. In 2004, IPP established its web printing division with the installation of a heat-set Web Press. They are also developing their e-business initiative in pre-press design

and content development, catering to European customers for services such as a layout design, enhancement, design development and, finally, content creation.

"We are amongst the first in the country to adopt computer-to-plate technology, thereby eliminating films," points out Rishabh. "IPP has continually upgraded its pre-press capability, a prerequisite to good quality printing and finishing."

NAME: International Print-O-Pac Limited
CHAIRMAN: Ravindra Singhvi
ESTABLISHED: 1981
LOCATION: Noida, Uttar Pradesh
BUSINESS: Print packaging and supplying premium printing and packaging solutions to domestic and export market
TURNOVER: Rs130 crore

He adds the challenge for them lies in sustaining volumes in the current business areas even as competition is rising while developing the next generation business. "Devising a new range of products and continually innovating to keep our customer ahead of his competition in the market has taught us to think harder about innovation and cost-conscious products development. Dealing with demanding customers is one part of the job, handling a complex supply chain is another," says Rishabh.

IPP has been a first-mover in adopting UV printing technology in India,

thereby printing high-end jobs on substrates other than paper and board. IPP has successfully worked with customers to print their cartons on metallic board, thereby adding to the shelf appeal of the final product packaging.

What lies ahead? While delivering 50 per cent growth in topline and bottomline year on year through effective marketing and product innovation is high on the list, Rishabh says nurturing their team – their most important resource – is the priority. "The real organisational challenge lies in changing and evolving the skill set of the team through effective training while keeping them motivated. Hiring and keeping top quality people who are sought keenly by 'branded' multinationals has been a challenge. This can only be achieved by empowering people to take decisions in the real sense and providing a uniquely satisfying working environment," Rishabh avers.

After having established themselves in the domestic market and even in global retail, IPP is now looking at acquiring other units – both within India and overseas. "It is too early for us to say which companies we would acquire, but we are looking at acquiring two in India – one could be in the south. If all goes well, the acquisition would be through by March this year. As far as our overseas acquisition we are considering many countries including the US," says Ravindra Singhvi.

While, IPP has been able to carve a niche for itself, they continue to look for avenues to expand their product base both in the domestic market and overseas. With retail business gaining popularity in India, they are bound to grow further by leaps and bounds!

• RISHABH

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