

Strategic planning — Implementable process

'We aim at developing eco-friendly plastic packaging'

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One of the pioneers in rigid packaging solutions, Manjushree Technopack, has been offering its products for over 25 years. The Bengaluru-headquartered company is the largest producer of PET containers and other plastics, catering to the packaging requirements of brands like Coca Cola, Hindustan Unilever, Cadbury, Nestle, GlaxoSmithKline, Heinz, PepsiCo, Kraft Foods, Godrej, Tata Tea and others. The company caters to almost all the leading brands in the FMCG, MNC and pharma sectors. Some of the popular brands packed by Manjushree include Cadbury's Bournvita, GSK's Boost and Horlicks, Unilever's Kissan Squeeze Ketchup, PepsiCo's Quaker Oats, Nestle's Nescafe and prominent names from the beverage segment such as Bisleri amongst others. In an email exchange with Vimal Kedia, managing director, Manjushree Technopack, we find out about the company's evolution over a period of time, its in-house design and development arm — Mphinite Solutions — and the trends in the packaging industry.

PSA : Manjushree Technopack has been a pioneer in packaging solutions for over 25 years.

Tell us how the idea of the business came about and the growth since then?

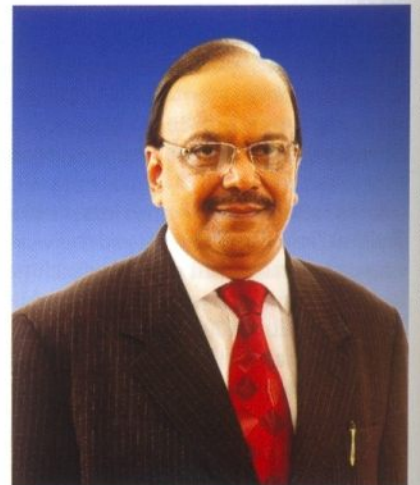
Vimal Kedia (VK) : Founded in 1977, Manjushree started as a small umbrella manufacturing unit in Guwahati, Assam. We forayed into flexible packaging (meant primarily for the tea industry in Assam) in the year 1984 with the installation of roto-gravure printing technology. Due to the ongoing political hardships in the state, we decided to look at other parts of the country for avenues within the packaging industry.

The company went public in 1995 in order to raise capital to set up a plant in Bengaluru, for manufacturing PET bottles and containers. After a good start and the best facilities in hand, it was time to expand further. Manjushree offered another follow-on public issue in 2008, to set up Husky Injection Molding System to manufacture PET preforms.

As of 2010 the company has grown from 300 metric tons per annum (mtpa) in 1996 to an installed capacity of 36,000 mtpa.

PSA: What are the inputs required from a client and how is the outcome validated against its desired market objectives?

VK: As the first step towards any packaging development we visit the customer personally to understand all aspects of their requirement (from design to production of the package). While we undertake designing at our sister concern Mphinite Solutions, some of the critical inputs that we look for from our customers are – na-



Vimal Kedia, managing director,
Manjushree Technopack

Photo: Manjushree Technopack

Photo: Manjushree Technopack



Production facility at Bommasandra, Bengaluru



Pet bottles being made at Bommasandra, Bengaluru

Photo: Manjushree Technopack

ture of the product / item to be stored in the pack, capacity of the container, label design, colour of the closure and finally the market segment that it is aimed at.

We start with line drawings and finally display a 3D rendering of the design. Once the renderings are approved, we go ahead with a prototype in SLS (Selective Laser Sintering) which gives the client a fair idea of what the final product will look like. The final step towards the development is making a pilot mould and providing a sample, which is followed by the making of commercial moulds and then mass production.

At each step, the client takes feedback from its consumers and shares it with us, which then gets incorporated in the development of the final product. Wherever relevant, we also keep in regular touch with the branch managers to keep ourselves updated on new developments and ideas.

PSA: How do you aim to grow Manjushree Technopack and at what rate is the company expected to grow?

VK: Manjushree clocked a turnover of ₹ 36 million for the financial year 2009-10. The company has been growing year-on-year by 25% since the last 25 years. We expect to grow our top line by 100% by the year 2015; profits are also expected to respond in a similar manner.

Manjushree has always been at the forefront of introducing new technologies and design thinking in packaging. This is one of the reasons why our customers prefer us over others. We will continue to expand horizons by utilising new technologies and advanced machinery to achieve economies of scale.

PSA: What, if any, are the threats from the flexible packaging industry?

VK: At macro level there is no threat from the flexible packaging industry because the convenience of re-closeability, moldable service and rigid structure adds value to rigid / PET containers. Most of the products in India which are being packed in flexible pouches are also available in PET containers. However, at a micro level, flexible pouches eat into the share of rigid packaging by being promoted as re-fill pouches.

PSA: When did the company start an in-house design and development arm — Mphinite Solutions? How does the company and its customers benefit from the division?

VK: Mphinite Solutions, a sister concern of Manjushree, began in 2005 to cater to the growing packaging design, engineering design and animation industry.

Design agencies may be able to create wonderful designs and ideas. However, in nine out of ten cases they get stuck during the manufacturing process. This is where Mphinite plays an important role as a mediator between process and design with a firm control on the packaging cost. Mphinite has helped the company by adding its own customers to Manjushree's clientele list for manufacturing PET containers. Thus Mphinite has been a strategic sister concern as far as our customers are concerned. They have been able to cut down on their development time and cost by sometimes as much as 50%. In fact, we have done projects for a US based multinational in five weeks flat including prototyping and sampling, thus enabling them to launch products in the market within eight weeks.

PSA: What are the new technology advancements that the company has adopted recently?

VK: Manjushree has many 'firsts' to its name. It was the first company to launch 6-layer co-extrusion technology for manufacturing multilayer bottles for the perishable food industry in 2003. It was also the first company to produce PP ISBM (Polypropylene Injection Stretch Blow Moulding) in collaboration with GlaxoSmithKline to produce Polypropylene Containers for its malt and chocolate powder beverages. Manjushree also introduced hot fill technology for producing bottles which can take up to 85°C filling temperatures especially for mango juice and ice tea industries. With our expansion in 2007, we brought high speed machines from Husky Injection Molding Systems, Canada, to produce PET performs for carbonated soft drinks, juice and packed bottles. Since then, the company has been focusing on addition of preform making machines for the fast growing beverages industry. We are now actively working towards developing eco-friendly plastic packaging. ■

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