

NATURAFLEX (P) LIMITED BANGALORE

A New Ventures Finalist

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NATURAFLEX (P) LIMITED

- Naturaflex (P) Limited manufactures Biowood and Mattresses products using natural fibers such as coir and jute.
- A licensee of Coir Board, Ministry of Agro & Rural Industries, Government of India
- The Venture was initially supported by
 - World Bank
 - UNDP
 - Department of Science & Technology, Govt. of India
- Profitable proposition for Investors which will generate good economic returns and also help in environment protection.



Vision

- To be the industry leader in Biowood application in terms of profitability.
- To grow and deepen the market for biowood by undertaking turnkey projects.
- Grow an economically profitable and ecologically sustainable enterprise.
- Be an innovator in developing wood alternatives through coir based produce.

NATURA - A SOCIALLY RESPONSIBLE INVESTMENT

- Conserving forest cover by adopting Biowood as an alternate to tropical forest timber
- Biowood products are made from coir a rapidly renewable natural raw material.
- The company vision in the global scenario is to partner and offer a better alternative to forest timber.
- Act as a Catalyst in increasing large scale rural employment

Social and Environmental benefits

- Coir Board, Government of India promotes these projects that have a direct impact on Rural Employment
- These projects would provide socially desirable and environmentally preferred products
- These technologies can also be adopted for various other natural fibres such as Sisal, Oil Palm etc.

PRODUCTS



- Wardrobe in a House



Mattresses

BIOWOOD – ATTRIBUTES

- Abundant availability of raw material as against timber – nature's scare resource
- Has all properties of Coir – Strength, Durability, Natural resistance to termite and insects, Water resistance etc.
- Meets the criteria for the following
 - Eco Housing
 - ISO 14000
 - LEED Certification.



BIOWOOD - APPLICATIONS

Ideal for

- Cupboards
- Wardrobes
- Kitchen cabinets
- Partitions
- Wall Paneling
- Furniture
- False Ceiling



NATURA PRODUCTS – COMPETITIVE ADVANTAGES

- Is an Environment Friendly substitute to tropical forest timber.
- Strong
- Naturally Termite and Insect Resistant
- Waterproof
- Flame Retardant
- Carpenter Friendly - Excellent Nail and Screw Holding Properties

NATURA PRODUCTS – COMPETITIVE ADVANTAGES

- India- the largest producer of coir
- Estimated output of 1.15 Million Tons of fiber per year.
- No tropical forest timber available
- Minimizes Deforestation
- Available in abundance –
 - Currently only 30% is processed for value addition
 - Rapid Renewable material in 45 days

COIR – TROPICAL FOREST TIMBER ALTERNATIVE



- Coir has 45.84% lignin as against 39.84% in Teak.
- Coir is more durable than TEAKWOOD

Operations

- The Coir fibres are sourced out from Rural Village Industries. These fibres are formed into mats, impregnated with binders, pressed and finished for the Market requirements as Furniture and Mattresses.
- As the Demand Increases the Company is capable of implementing Turnkey Projects.
- The scope for development of various value added products with better design and finish from the R & D.

Organization and Personnel

- The Company is closely held with whole time professional Directors and Managers.
- The Company's operations are mainly divided into
 - Finance & Admin
 - Production
 - Marketing
 - Research & Development



NATURA – COMPETITIVE ADVANTAGES

- **Biowood**
 - Setting the Product Parameters
 - Formulation of Standards - 4 BIS Specifications
 - Introduction of the Products among Institutional / General / Specilised Product Markets
 - Conversion of Biowood into Furniture
- **Coir Mattresses**
 - Improved quality through New Technology Developed
 - Anti Sag – better comfort
 - Increased Durability
 - Cost effective Products

ANTI-SAG MATTRESSES -

- Uses Needle felting method as against conventional de-curling of rope that reduces the possibilities of sagging to negligible levels
- Minimum use of latex
- Increased Coir content – Makes mattress extra firm
- Offered with latex foam toppings – a 100% natural product

MARKET ANALYSIS

- There is a National & International Market for Environment Friendly Products made from Natural Fibres.
- National Market for over Rs.400,000 Million and the International Market is over a Billion Rupees.
- The Company is competitive with the existing Products of Tropical forest timber.
- The National Market for the growth of Housing Sector is about 12 – 15%



MARKET ANALYSIS

- Furniture, Mattresses and Capacity Building Turnkey Projects are key products and services.
- Most of the technologies are perfected with Bureau of Indian Standards
- Lack of product and properties awareness is the challenge.

MARKET ANALYSIS

- Biowood
 - Estimated market size at Rs. 400,000 million
 - Market growing at 15-20% per annum
 - Shortage of Timber / Decreasing Forest Cover
 - Product Price Range Rs 120-4500/sq meters
- Mattresses
 - Estimated market size at Rs. 10,000 million
 - Demographic Growth 9-15% PA
 - Product Price Range Rs.800- Rs.15,000
 - Better Value for the Market Chain when Both Products are offered.

Road map to tap Market opportunities

- The Company plans to build retail outlets and Distribution Network for National Market.
- International Market would be addressed through Furniture chain stores and Do It Yourself Stores.
- The combined sales of biowood applications, mattresses and turnkey projects is projected at Rs.1500 Million in next five years.
- Standardized Products with better qualities would succeed in this competitive environment with satisfied customers.

SCALING UP OPERATIONS

- **Biowood Furniture**
 - Install separate Needle felting plant for additional capacity
 - Setting up facility to convert boards into furniture
 - Opening Display unit at Bangalore and later on in other cities
 - Brand building and Creating awareness for furniture
- **Mattresses**
 - Setting up of facility to manufacture latex foam toppings
 - Open up 40 company owned depots (in all major cities / towns)
 - Appoint distributors in other areas
 - Brand building and creating awareness

Financial Data

(Rs.million)

Year	I	II	III	IV	V
• Sales	271	419	678	944	1076
• PBT	39	108	369	369	564



REQUIREMENT OF FUNDS

Equity Rs.60.0 million

Debt Rs.54.2 million

Internal Accruals Rs.11.6 million



USAGE OF FUNDS

	Rs. In Million
Building	10.0
Machinery	83.7
Opening up of Distribution Network	8.0
Working Capital Margin	6.0
Brand Building & Awareness	11.5
Expenses During Project Implementation	6.6
Total	125.8

COIR - CENTURY OLD PROVEN FIBRE



Thank You