



NARENDRA BANSAL, MD, Intex Technologies

Intex's hard drive on success lane

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NEW DELHI

**rising
STAR**

WHEN Narendra Bansal talks about business, the glint in his eyes is as hard to miss as the conviction in his voice. For Bansal's talking is backed by over 25 years of selling IT products across the length and breadth of the country. Born in an orthodox Rajasthani family, in a grain trader's house, Bansal refused to take up his father's business after completing BCom from Delhi University in 1985 as he wanted to do something of his own.

So, he spent the next 11 years trading in small electronics devices. "I came to know about the electronics business in and around New Delhi. So, I began selling devices such as audio cassettes and VCR players from wholesale markets like Bhagirath place, Lajpat Rai market to retail traders in places like Palika Bazaar," recalls Mr Bansal, who is now managing director of Rs 600-crore company, Intex technologies.

The experience gained from trading in electronic items in Delhi markets for over 11 years made Mr Bansal appreciate the nuances of the electronics and IT business, which was a totally supplier-driven market. "There used to be long queues in front of shops in Nehru Place and Palika Bazaar to buy floppy diskettes, keyboards, mouse et al," recalls Mr Bansal. He also realised that there was an acute shortage of IT products in the country.

It was in 1995, after a visit to Taiwan, that Mr Bansal decided to import ethernet cards or Local Area Network (LAN) cards to India and sell them under Intex brand name. Thus, Intex Technologies was born in 1996.

A good response and increasing demand for IT products in the subsequent years led Mr Bansal to increase the gamut of products to include cabinets (computer casing), keyboards, computer speakers, web cameras and headphones. In January 2002, the company went in for major restructuring as Mr Bansal appointed a president to look after the company's expanding operations, apart from implementing structured systems and processes within the company to give it a corporate character. He started expanding the company's operations throughout the country, setting up sales offices, branches and service centers.

The next big moment for Intex came when Mr Bansal set up a plant in Jammu and Baddi (in Himachal Pradesh) in 2003 and 2007, respectively, to manufacture a range of products such as keyboards and flash drives. "This was a key development for us as it enabled manufacturing on our own, decreasing our dependence on imports," says Mr Bansal.

The result of these efforts is for all to see. From nine branches and four service centers in 2002, Intex now has 28 branches in as many states and over 400 service centers. In 2007, the company expanded operations by launching its notebooks and netbooks. And the very next year saw Intex foraying into the consumer electronics and mobile handsets categories, a move that Mr Bansal reckons was crucial for the company to leapfrog to a high growth trajectory.

Not surprisingly, it is the mobile handsets business that excites Bansal the most. "The handsets business will be our growth driver of the future," Mr Bansal says. Like its competitors, Intex is also getting its handsets contract manufactured in China. But unlike many of its competitors, Intex Mobile handsets are selling 5,000 outlets in 300 districts, with the company banking on the semi-urban and rural consumers to push sales, which currently stand at a claimed 2.5 lakh units a month.

"We currently have 2% market share in handsets. This will rise to about 7% by this fiscal-end and reach 10% by the time the next one ends," says a confident Mr Bansal. He also wishes to expand operations to cover all 640 districts of the country within the next four months, and expand the retail footprint to 50,000 outlets by March 2011.

Distribution apart, Intex prides itself on a 30-member R&D team, tasked with bringing out innovative phones. Some of the recent successes of this team include a network independent 2G video chat phone and triple SIM card phones. All the phones are in the range of Rs 1,100-Rs 5,000.

But high growth demands regular capital infusion and Bansal has not cut corners on this front. "We have Rs 30-crore debt and are looking at getting private equity funding within the next four months. We are also working on an IPO to infuse more capital," informs Mr Bansal, who is still working out the extent of stake to be offloaded.

The fresh equity infused shall fuel his aim of achieving a turnover of Rs 1,000 crore by the end of this financial year and doubling this by March 2012.



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