INDIA

OPPORTUNITIES & CHALLENGES

In the Context of Indian Economy

- Foreign Exchange earner
- Capability to employ
- A new impetus
- Target of 27 billion by 2020
 - 12 billion Domestic
 - 15 billion Exports

Applying Balanced Scorecard for strategy Implementation

MISSION Core purpose of the organization

VALUES

Timeless guiding principles

VISION

Word picture of the ideal future

STRATEGY

Your "game plan" for success

STRATEGY MAP

Graphical presentation of key objectives

BALANCED SCORECARD

Performance measures, targets and initiatives

CASCADING MEASURES

Performance Measures for all departments/individuals that align with overall goals

STRATEGIC MANAGEMENT SYSTEM

Linking the Balanced Scorecard to processes such as budgeting, reporting and compensation

INDIA'S EXPORT

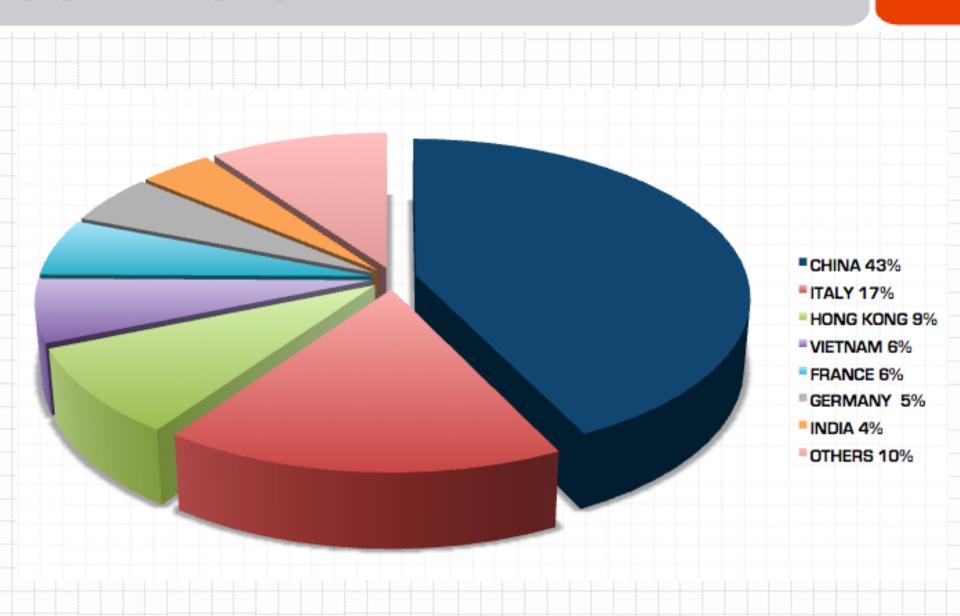
Value in Million \$

	2009-10	2010-11	2011-12	2012-13	2013-14
Finished Leather	627.95	841.13	1024.69	1093.73	1284.57
Footwear	1507.59	1758.67	2079.14	2066.91	2531.04
Leather Garments	428.62	425.04	572.45	563.54	596.16
Leather Goods	757.02	855.78	1089.71	1180.82	1351.5
Saddlery & Harness	83.39	87.92	107.54	110.41	145.54
Total	3404.57	3968.54	4873.53	5015.41	5908.81
% Growth		16.57%	22.80%	2.91%	17.81%

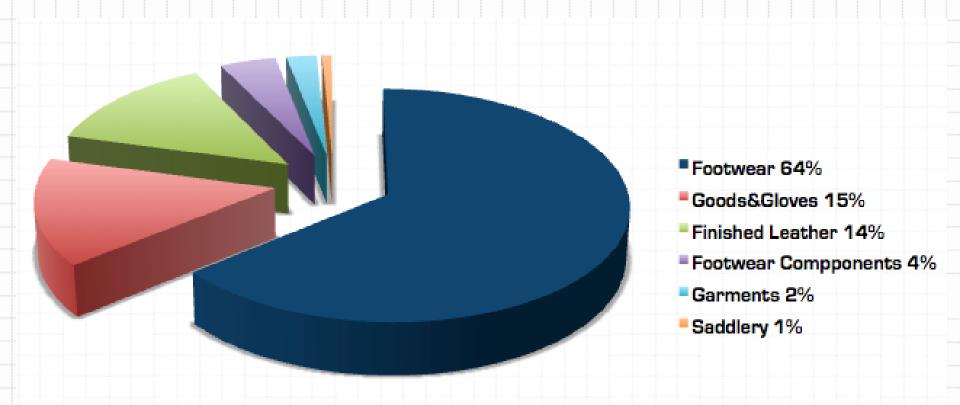
Source: DGCI & S

	2008	2009	2010	2011	2012
WORLD IMPORT	139747.61	117490.76	140006.16	162767.69	160538.25
INDIA'S IMPORT	3599.46	3404.57	3968.54	4873.53	5015.41
% SHARE OF INDIA	2.57%	2.90%	2.84%	2.99%	3.12%

GLOBAL EXPORTS



GLOBAL EXPORTS - Product wise details



Shoe Worker Cost Comparison 2014

Country	Cost per Hour 2014/2013	Cost % of Change	Exchange Rate USD 2014/2013 (% of change)	
	(all costs included)	2014/2013		
Ethiopia	0.36/0.32	12.5%	19.4/18.8 (3.2%)	
Bangladesh	0.71/0.44	61.4%	76.25/78 (-2.2%)	
Cambodia	0.85/0.61	41.0%	3,988/3,945 (1.1%)	
India	0.85/0.80	6.3%	58/59 (0%)	
Vietnam	1.14/0.90	26.0%	21,218/21,223 (0%)	
Nicaragua	1.27/1.22	4.1%	25.5/24.7 (3.3%)	
Thailand	1.34/1.32	1.5%	32.48/31.27 (3.8%)	
Indonesia	1.60/1.75	-9.4%	11,800/10,200 (15.7%)	
Dominican Republic	1.88/1.81	3.5%	42.61/41.89(1.7%)	
China	2.09/1.90	10%	6.25/6.1 (2.5%)	
El Salvador	3.05/NA	NA	1.00/1.00 (0%)	
Brazil	3.48/3.59	-3.1%	2.25/2.22 (1.4%)	
Mexico	3.75/3.87	-3.1%	12.93/12.69 (1.9%)	
Portugal	6.37/6.35	0.0%	1.36/1.32 (-3.0%)	
Italy	18.68/18.26	2.3%	1.36/1.32 (-3.0%)	
Japan	25.66/32.48	-21.0%	100/79 (26.6%)	

June data, costs in USDs

The changed Market place

- 2007, a watershed year
- Consolidation that is taking place.
- Price driven, but not the old way
- Lean supply chains & Lean manufacturing processes
- A very focused approach
- Lead time driven & Quicker to the market
- Fresh product in the shelf
- Pricing goals based in scientific models of market segments and the positioning of the brand.
- Increasing risk aversion on the part of the customer

Our Strengths

- Second to none ability to make & finish a wide variety of leathers
- Our ability to adapt to small runs, a key element of the future
- World class institutional support
- Technical skills
- Huge raw material base
- Paradox; Surplus labor VS no workers VS no jobs

Challenges based on the New Market Place

- Indian supply chain
- The link to the market has to continuously get leaner & stronger
- Limited finite supply of hides & skins, means continuous improvement in up gradation and finishing
- Lean manufacturing systems; The NIKE example
- Footwear, the Eastern Europe challenge
- One stop shop

Environmental & Social Norms

- Environment is a non negotiable issue
- The evening with BASF
- Need for self awareness, necessity for survival
- Social audits now a norm, not an exception
- The costs for these have to be supported by productivity increase

The supply chain & Productivity

- "Make it right" VS "Make it quick"
- Turnaround times; Challenge to reduce 30days
- Sailing time from China
 - New york Harbor
 - The Wal-Mart vessel, 15000 containers, 5days less
- Lead time to the factory
- Just in time inventory;
 - Learn from automobiles, engineering & computers
- Plan to the minutest detail
- Measure at every stage
 - Benchmarking with the best & the price based on that
- CMTP of \$2!
- Resistance to change
- Efficiency levels
- On-Time deliveries

THE FUTURE - Challenges & Opportunities

- Direct to Store
- Wage increases
- E Commerce
- China still makes the World in every segment
 - Replaceable in women's fashion
- The use of synthetics
 - Belts 50 / 60 %
 - Wallets 20 /25 %
 - Footwear 65% or more
- Closer links with academicians
- Summering up we have to target a LEADERSHIP ROLE and it can be do
 only by PLANNED PROFESSIONALISM

