

Make in India - Road Show & B2B Meetings Event

Offenbach, Germany , November 18-19, 2015

■ Report by Council for Leather Exports (CLE)



MAKE IN INDIA

Make in India is a major national programme designed to facilitate investment, foster innovation, enhance skill development and build best-in-class manufacturing infrastructure in India. Leather, Leather products and Footwear sectors have been identified as one of the sectors for intervention under Make in India programme. Make in India initiative intends to invite both domestic and foreign investors to invest in India. Under Make in India, the Indian leather industry has been set a target of achieving turnover of USD 27 billion by 2020 from the present turnover of USD 12.60 billion (including export turnover of USD 15 billion from the present USD 6.6 billion and domestic turnover of USD 12 billion from the present USD 6 billion).

With a view to increase investments into the Leather Sector under Make in India, during August 2015, the Department of Industrial Policy & Promotion, Ministry of Commerce & Industry, Government of India, constituted a "Committee for Targeting Investment in Leather Sector". The Committee comprises of 27 representatives from leather industry and Joint secretaries of DIPP and Department of Commerce. The Committee's primary task is to organize focused Road Shows in identified foreign countries and create awareness of India's manufacturing capabilities, strength and various proactive measures taken towards development of the leather industry in India, and growth prospects both for export as well as in the domestic market. Germany is one of the identified countries of intervention for organizing the Make in India Event.

In view of high growth levels projected for Indian leather industry and in view of the tremendous prospects for investments from overseas manufacturers/entrepreneurs, the Council for Leather Exports (CLE) with the approval of Department of Industrial Policy & Promotion (DIPP), Ministry of Commerce & Industry,

Government of India, organized "Make in India Promotion – Road Show & B2B Meetings Event" in Offenbach, Germany, alongside India Leather Days during November 18-19, 2015.

Objective

The objective of organizing the Make in India Event in Germany is to create awareness of India's manufacturing capabilities, strength and various proactive measures taken towards development of the leather industry in India, and growth prospects both for export as well as in the domestic market. The objective is to attract foreign companies to invest in India, in either of following two modes (i) 100 % FDI to set up manufacturing plant of their own (or) (ii) by entering into Joint Venture with Indian companies to manufacture in India.



Registration Desk at Make in India Investment conference

Secretariat for the Committee, and organization of Event by CLE:

The secretariat for the 'Committee for targeting investments into Leather Sector' is functioning at CLE HQ. The

Indian Leather Development Programme (ILDIP) Unit at CLE HQ has been handling the functions of the Secretariat, and it has been entrusted with the specific assignment of organization of Make in India promotion Events in the identified overseas countries.

In order to have focused attention in planning and executing the Make in India Event in Germany, and to have a strategy most suitable to the German market, Shri M Rafeeqe Ahmed, Chairman of the Council for Leather Exports has appointed Shri Tapan Nandi, Member, Committee of Administration of CLE as Convener for the Make in India Event in Germany. It may be mentioned here that Shri Tapan Nandi is one of the leading manufacturers of Leather goods & accessories based in Kolkata. Shri Tapan Nandi is a Member of the Committee of Administration of CLE for several past years, and has vast experience in Germany and other European countries, particularly in the leather goods & accessories segments. Shri Tapan Nandi, Convener, has taken necessary actions and given advice to the CLE for planning, strategy and organization of the Make in India Event in Germany.

Make in India Event dissemination to Indian Companies

- The Council circulated the information of the Make in India Event to the enterprises in the leather sector (around 3500) requesting their participation. The information was also hosted in the website of CLE for wider dissemination.
- The Council sent invitation to prominent industrialists and members of the Committee of Administration of CLE and all eight product panel conveners of CLE.
- The Council sent invitations to the Members of the 'Committee for targeting investments in the leather sector' constituted by the DIPP.
- The Council sent the information about the Event to Associations in the domestic industry for circulation to their members for participation.

Event Marketing Agency

The Council for Leather Exports (CLE) approached Messe Offenbach and requested them to organize the Event, since the Make in India Event is scheduled to be held alongside the India Leather Days, which is also held in the premises of Messe Offenbach, in Offenbach, Germany. The roles and responsibilities of Messe Offenbach is to invite and confirm participation of German companies interested to have joint venture collaborations or to set up their own manufacturing unit in India. The following are the outreach efforts done by the Messe Offenbach to reach out to the German companies disseminating the Event invitation::

1. Messe Offenbach has sent invitations to 4940 German companies
 - a) Newsletter by Email on 4th November, 2015
 - b) Newsletter by Email on 12th November, 2015

Apart from sending the invitations, Messe Offenbach has

conducted a survey and the following is the feedback:

Newsletter 1 – 963 opened the Newsletter and 667 bounced. 84.3% successful deliveries – 26.8% open rate – 19 unsubscribed,

1163 (72.4%) Germany, 137 (8.5%) Netherlands, 96 (6.1%) Switzerland, 96 (6.0%) Austria, 69 (4.3%) Belgium, 47 (2.9%) Italy, 28(3.3%) France, 28 (1.7%) Japan, 5 (0.3%) Luxemburg, 4 (0.2%) Turkey.

Newsletter 2 -847 opened the Newsletter and 376 bounced. 90.4 % successful deliveries

24.0 % Open rate - 29 unsubscribed

968 (73,4%) Germany, 88 (6,7%) Netherlands, 86 (6,5%) Switzerland, 34 (2,6%) Austria, 40 (3,0 %) Belgium, 56 (4,2 %) Italy, 6 (0,5%) France, 4 (0,3%) China, 4 (0,3%) Luxemburg

2. Besides, Messe Offenbach has sent Event Invitations (Newsletters) to the 65 German companies manufacturing Leather Goods, as per the list given by the Consulate General of India, Frankfurt.

3. As a publicity campaign, telemarketing exercise was carried out for three working days before the Event. More than 200 companies – mostly prominent participants of International Leatherwaren Messe (ILM) held twice in a year in Offenbach, and the German companies as per the list given by CGI, Frankfurt.

4. The Agency has invited journalists / media persons for media coverage of the Event.

5. The Database on the following are enclosed herewith, to whom Event Invitations have been sent by Messe Offenbach:

- a) Database of German Companies – Manufacturers of Leather Goods & Accessories- 65
- b) Database of German Companies - 4940
- c) Database of Exhibitors – ILM 2015
- d) Database of Media Officials

The Make in India Promotion – Road show & B2B Meetings had the following elements:

- i. Hiring of Seminar Hall – A Meeting hall of 400 square Meters was booked at Messe Offenbach exclusively for the Make in India Event.
- ii. Engagement of Marketing Agency – Messe Offenbach has been entrusted with the task of organization of the Event.
- iii. Publicity Campaign - Messe Offenbach has sent Event Invitations through emails, Newsletters, fax, and thru telemarketing.
- iv. Audio Visuals – All necessary multimedia equipments were hired and used in the “Make in India - Investment Conference” for presentations etc

Make in India Pavilion

A Meeting Hall of 400 square meters at the most vantage location exclusively for “Make in India” was constructed during Nov 18-19, 2015. The Make in India –

Meeting Hall had plush interiors, large screen TV to play promotional films. Make in India – Leather Focus Sector brochures, posters, banners were circulated / displayed during the Event.

Make in India Event consisted of two elements, namely “Investment Conference” and “B2B Meetings’ discussions

Make in India – Investment Conference

The Make in India – Investment Conference was held on Nov 18, 2015 at 11.00am. Day 1 of the India Leather Days was considered appropriate date for holding the Investment Conference. The Conference was inaugurated by Shri Subash Chand, Consul, Consulate General of India, Frankfurt.

Shri Tapan Nandi, Convener, gave a speech highlighting the opportunities available in the leather sector for development and growth and investment facilities / possibilities available in Leather sector. He also highlighted the growing domestic market of India. Mr. Tapan Nandi invited the German companies to invest either by 100 % FDI to set up manufacturing plant of their own or by entering into Joint Venture with Indian companies to manufacture in India. To ensure German Investments in India, Shri Tapan Nandi gave a PowerPoint presentation with emphasis on following few points.

- The total production of the Indian leather industry stands at USD 12.5 Billion with great potential exports of huge domestic market.
- Exports have grown from USD 1.42 Billion in 1990-91 to an all-time high of USD 6.5 Billion in 2014-15.
- Exports are projected to grow at 24% per annum over next five years.
- With a strong base of raw materials India is endowed with 21% of world’s cattle and buffalo and 11% world’s goat and sheep population.

- India produces 2 Billion Sq. Feet of leather accounting for 10% world leather requirements.
- There is no import duty on import of rawhides, skins, semi-finished leathers like wet blue, crust leather or finished leathers.
- The National Manufacturing Policy released in Nov 2011 identifies leather as special focus sector, for growth and employment generation.
- Department of Industrial Policy and Promotion has notified the Mega Leather Clusters (MLCs) sub-scheme with the objective to create new production centres for the leather industry with all the required infrastructure and support service.
- Comparative advantage of production & labour costs.
- With 55% of the workforce below the age of 35, the Indian Leather Industry has one of the youngest and most productive workforce.
- The Indian Government has put in place an array of measures for skill development and up-gradation of the workforce.
- India is world’s second largest producer of footwear after China, with an annual production of 2065 million pairs.
- India Leather Garment Industry is the second largest production capacity 16 million pieces and is also the third largest global exporter.
- India is the fifth largest global exporter Leather Goods and Accessories including Saddlery and Harness with an annual production capacity of 63 million pieces of Leather Articles, 52 million pairs of Industrial Gloves and 12.50 million pieces of Harness and Saddlery items, which account for 25.35% share of India’s total exports.
- Apache Group (Taiwan), Feng Tey Shoes (Taiwan) and Itarus (Italy) have already made investment in India.



Shri Tapan Nandi, Convener – Make in India Promotion, Germany giving his speech

Shri Subash Chand, Consul, Consulate General of India, Frankfurt, Germany, highlighted about the Indo-German bilateral trade relationships and particularly leather sector. He also said that both India & Germany are potential investment destinations although the reasons for making investments are different. Since Indian Market is growing, Germany has access to wider EU market and both countries are moving towards a regime with unrestricted movement of goods and services, it is likely that opportunities will grow and companies will expand their presence in each other's market. Commenting on technology status of India,



A view of audience



Presentation in progress



Shri Tapan Nandi, Convener – Make in India Promotion, Germany making Powerpoint presentation at the Conference

Shri Subash Chand, Consul, Consulate General Of India, Frankfurt, Germany, said the technology adoption rate has grown in India and Indian companies and the workforce have become accustomed to using new technologies, which has enlarged the scope for investment by German companies in India. As the country has a huge advantage in terms of skilled manpower, German companies can set up R & D base in India. India could become a high quality, low-cost manufacturing destination for German companies, if German companies make investment in technology. Consequently, Indian companies can upgrade the existing small-scale business with new technology. Both India & Germany have a large number of SMEs and there is a scope for enhancing SME collaboration. Presently, only a few German SMEs have targeted the Indian market. India has developed itself as an attractive destination for foreign investments. However, in many sectors such as infrastructure and manufacturing investment flows are still below the country's potential.

Bilateral investments between India & Germany have grown overtime and the two countries have potential to increase it further due to their investment complementarity. India's large, skilled workforce complements the technological capabilities of Germany. Investments from Germany can help India in the development of manufacturing facilities with technology up-gradation, innovation in design and reduction in unemployment while German companies can improve its global competitiveness by diversifying the production networks.



Shri Subash Chand, Consul, Consulate General of India, Frankfurt addressing the participants

Shri Sanjay Leekha, Member-COA of CLE, and Former Vice Chairman of CLE, has given Vote of Thanks to the gathering. Shri Sunil Harjai leading industrialist as well as Members of the Committee of Administration of CLE, has participated in the Make in India Event.





Shri Sanjay Leekha, Member-COA of CLE, and Former Vice Chairman of CLE delivering Vote of Thanks

Mr. D.K. Acharya, Regional Director (West), CLE, Mumbai, was deputed to the Make in India event in Germany, and he participated in the Investment Conference, and made necessary arrangements for conducting the Event and coordinated the B2B Meetings.

Through this Conference, the Make in India concept was adequately highlighted and disseminated to the German Companies.



A view of audience



Shri D K Acharya, Regional Director (West), CLE giving Welcome address at the Make in India – Investment Conference (seen L to R) Shri Subash Chand, Consul, Consulate General of India, Frankfurt, Shri Tapan Nandi, Convener – Make in India Promotion, Germany, Shri Sanjay Leekha, Former Vice Chairman, CLE and Shri Sunil Hajrai, Member-COA, CLE



B2B Meetings between Indian and German companies

A total of 16 Indian companies have earlier given their interest to have joint venture collaborations with German / European companies. All the 16 Indian companies have participated in the Make in India Promotion – Road Show & B2B Meetings Event in Germany during Nov 18-19, 2015:

1. Alpine Apparels Pvt. Ltd., New Delhi
2. Ayman Tanning Co. Pvt. Ltd., Kolkata
3. D2 International, Kolkata
4. Jalan Exports Pvt Ltd., Kolkata
5. JC Fenasia Exports Pvt Ltd., Kolkata
6. Munais Creations, Kolkata
7. MVA Leather Works Pvt Ltd., Puducherry
8. Nisha Leather Handicrafts, New Delhi
9. Oom Exports, Agra
10. Podder son's Ex.L. Pvt. Ltd. Kolkata
11. Ransack Design solutions, Kolkata
12. S.K. Exports. Mumbai
13. Sheela Overseas Pvt. Ltd., New Delhi
14. Siddharth Exports, Noida
15. Superhouse Ltd., Kanpur
16. Wallet Plus, Kolkata

The company profiles of the Indian companies who participated in the Make in India Event have been widely circulated to the German companies who visited the India Leather Days and Make in India Events. After the conclusion of Investment Conference at around 12 noon of Nov 18, 2015, the B2B Meetings took place between the Indian companies and German companies. A total of 17 German companies participated in the Make in India – Investment conference and B2B meetings.

Outcome of the Event:

1. The objective of organizing Road Shows – B2B Meetings is to attract foreign companies to invest in India, either 100% FDI to set up manufacturing plant of their own or to enter into joint venture collaboration with India companies to manufacture in India. By holding the Investment Conference in Germany, the CLE has presented current facts and future prospects of the Indian Leather Industry and invited the German companies to invest in India and join hands with India.
2. CLE ensured the popularization of the potential offered by India Leather Industry for growth under 'Make in India' programme among overseas investors /entrepreneurs so as to attract FDIs/Joint Ventures / Technical collaborations etc in leather industry which will scale up the production/modernization and expansion of capacities in the leather sector in addition to enhancing domestic investments. Through the powerpoint presentation made by the CLE, the Leather sector of India, and potential for growth, and future potential of growing domestic market in the country etc have been popularized, and Brochures/ Leaflets and other publicity tools have widely disseminated the info on the Leather Industry and presented India as a design and manufacturing destination.
3. CLE undertook focused and sector specific interaction with identified potential global investors concerning leather sector. The interaction involved potential global investors and potential domestic companies willing to partner with global investors.
4. CLE promoted India as a design, innovation and manufacturing destination for Leather, Leather products and Footwear industries.
5. The B2B Meetings arranged during the Event have given a platform to Indian and German companies to get introduced to each other and to explore the possibilities for joint venture collaborations.

