

India Show Moscow, Sept. 24-26, 2014

- A Report by Sanjay Kumar, Regional Director-North, CLE & Sarmistha Banerjee, LDC, CLE

Introduction

India and Russia have considerable linkages in trade and economic cooperation. Friendly relations between the two countries have existed from the foundation of the Russian Federation as an independent state in December 1991, and much before that. However, trade between the two countries has not improved substantially between 1992 and 2006. The GDP of the Indian and the Russian economies has increased substantially in the recent past, indicating growing activity in various spheres. In both the countries, levels of international trade have also increased substantially, pointing to a range of opportunities for commerce between them. Thus, over the period starting in late 1998 and all the way until 2006, the Russian GDP, in real terms, rose by 62%, whilst the real income of the population grew by 54%. Welfare of the population has reached the highest level in modern history.

Russia's Import Potential

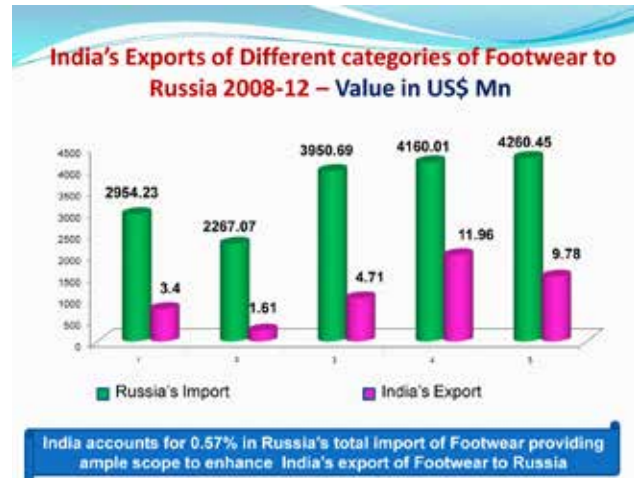
- Russia is the 9th largest importer of leather & leather products in the world.
- Russia's import of leather & leather products increased from US\$ 3295.94 mn in 2008 to US\$ 4761.02 mn in 2012, growing at a CAGR of 9.63%.
- Footwear, both Leather and non-leather is the major item of import in Russia. Footwear alone accounts for about 84% of total import of leather products of Russia.
- Leather Goods and Footwear Components are the other major items of import.

India-Russia Leather Trade

- India's exports of leather & leather products to Russia has increased from US\$ 12.01 mn in 2008-09 to US\$ 51.57 mn in 2013-14 growing at a CAGR of 33.83%.
- Out of Russia's total leather import trade, India presently accounts for a share of 0.60%, thereby offering scope for further enhancing India's exports.
- Considering the import potential of Russia, the potential for enhancing export of Footwear, Leather Goods and Leather Garments from India to Russia is huge.

India's Export of Footwear to Russia

- Russia's import of Footwear has increased from US\$ 2843.8 million in 2008 to US\$ 4000.67 million in 2012 growing at a CAGR of 8.9%.
- India's export of footwear to Russia has increased from US\$ 3.4 million in 2008 to US\$ 9.78 million in 2012, accounting for a share of 0.57% in Russia's total import of Footwear.
- In the current year 2013-14, India's export of footwear to Russia touched US\$ 23.12 million, accounting for 45% of India's total export to Russia



Indian Footwear Segment

- India is the second largest global producer of footwear after China
- India produces 2065 million pairs of different categories of footwear
- Leather footwear - 909 million pairs
- Leather shoe uppers - 100 million pairs
- Non-Leather footwear - 1056 million pairs.
- Export of Leather Footwear accounts for 92% and Non-leather footwear accounts for 8% of total footwear export value of US\$ 2531.04 mn

India's Export of Leather Garments to Russia

- Russia's import of Leather Garments has increased from US\$ 76.15 million in 2008 to US\$ 145.82 million in 2013, growing at a CAGR of 17.63%.
- India's export of Leather Garments to Russia has increased from US\$ 0.51 million in 2008 to US\$ 9.23 million in 2012, accounting for a share of 6.33%
- In 2013-14, export of leather garments touched a value of US\$ 9.70, accounting for a share of 18.80% in India's total export to Russia



Indian Leather Garment Segment

- India is the second largest producer of leather garments, next to China
- Leather garments production capacity is estimated to be 16 million pieces annually.
- India produces different types of leather garments i.e. jackets, long coats, waist coats/shirts, pant/shorts, motorbike jackets, industrial leather garments, leather aprons etc.
- It is a matter of great pride that Indian leather garments have been making giant strides in the world of fashion

India's Export of Leather Goods & Accessories to Russia

- Russia's import of Leather Goods & Accessories has increased from US\$ 182.52 mn in 2008 to US\$ 284.93 mn in 2012, growing at a CAGR of 11.77%.
- India's export of Leather Goods & Accessories to Russia has increased from US\$ 1.01 mn in 2008 to US\$ 2.74 mn in 2013, accounting for a share of 0.96%
- In the current year 2013-14, India's export of Leather Goods & Accessories to Russia touched US\$ 2.20 million

Indian Leather Goods & Accessories Segment

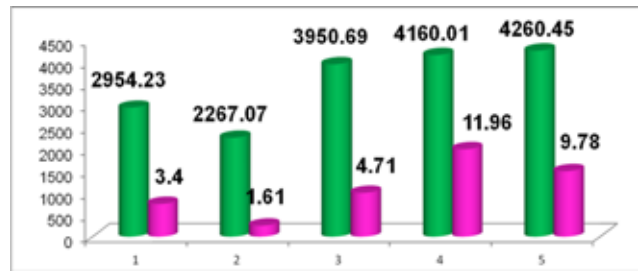
Chart showing India's Exports of Leather Goods & Accessories to Russia – 2008-12 – Value in US\$ Mn



India accounts for 0.96% in Russia's total import of Leather Goods & Accessories providing ample scope to enhance India's export to Russia

- India is the fifth largest exporter of leather goods and accessories (inclusive of Gloves) in the world.
- Leather goods production capacity is estimated to be 63 million pieces annually.
- The different types of Leather Goods and accessories are manufactured in India i.e., Trunks, suit-cases, vanity-cases, executive-cases, brief-cases, school satchels, traveling bags / luggage, Portfolio and similar such items, Hand Bags, shopping bags and similar such items, Wallets, Purses, Pouches, Passport Holders, Credit Card Holders, Diary covers and similar such items, Leather Belts, Caps etc. India also produces Leather Upholstery – Sofa Seat Covers, Car Seat Covers etc

Chart showing India's Exports of Different categories of Footwear to Russia 2008-12 – Value in US\$ Mn



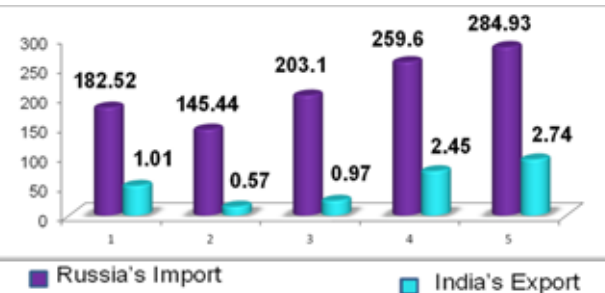
India accounts for 0.57% in Russia's total import of Footwear providing ample scope to enhance India's export of Footwear to Russia

India's Export of Leather Garments to Russia - 2008-12 in US\$ Mn



India accounts for 6.32% in Russia's total import of Leather Garments providing ample scope to enhance India's export of Leather Garments to Russia

Chart showing India's Exports of Leather Goods & Accessories to Russia – 2008-12 – Value in US\$ M



India accounts for 0.96% in Russia's total import of Leather Goods & Accessories providing ample scope to enhance India's export to Russia

The Event-India Show Moscow, 24-26 September, 2014

The India Show Moscow was held on September 24-26, 2014 from 10.00 a.m. to 6.00 p.m at Pavillion 1, Hall No. 2, Crocus Expo Centre, 65-66 MKAD, Krasnogorsk, Moscow. Multi-sector exhibition of Indian products and services was held from September 24 to 26 at the Crocus Expo Centre in Moscow. It was sponsored by the Department of Commerce of the Government of India, coordinated by the Federation of Indian Exporters' Organization [FIEO] and featured over 100 Indian companies in pharmaceuticals, leather, engineering, chemicals, textile, apparels, agro-products and other sectors. It presented products of Indian industry and provided a platform for business-to-business interactions between Indian and Russian companies.



Inauguration of the exhibition (from left to right) : *Shri M. Rafeeqe Ahmed, President, FIEO ; Shri P.S.Raghavan, Ambassador of India to Russian Federation ; Mr. Alexy Likhachev, Deputy Minister of Economic Development of the Russian Federation and Shri Rajeev Kher, Secretary, Department of Commerce*

The exhibition was inaugurated on 24th September 2014 by Shri Rajeev Kher, Commerce Secretary of India, H.E. Mr. Alexey Likhachev,

Deputy Minister of Economic Development of the Russian Federation and Shri P.S. Raghavan, Ambassador of India to the Russian Federation.

After the inauguration, a press meet was organized



At the Press Meet

INTERACTION OF INDIAN AMBASSADOR WITH PARTICIPANTS IN CLE PAVILION



Shri P.S.Raghavan, Ambassador of India to Russian Federation (2nd from left) interacting with the members



HE The Indian Ambassador at the Information Booth of CLE



Parallel events were organized on the sidelines of the exhibition to draw attention to untapped potential in specific economic sectors and to bring together relevant Indian and Russian stakeholders to discuss strategies for greater cooperation in these sectors. In a workshop on pharmaceuticals, manufacturers, regulators and medical practitioners of both countries discussed the opportunities that India's modern pharmaceuticals industry provides for greater India-Russia cooperation in this sector, including in the context of Russia's Pharma 2020 strategy.

A seminar on banking, investment and trade facilitation enabled information exchanges on banking facilities for bilateral trade and investment. A seminar on the Indian leather industry brought out India's strengths in leather manufactures

and their potential in the Russian market.

Two regions of Russia – Yaroslavl and Samara – brought high-level official and business delegations to India Show. They presented the opportunities for bilateral trade and investment exchanges thrown up by the economic developments in their regions. H.E. Mr. S.N. Yastrebov, Governor of Yaroslavl region and H.E. Mr. Alexander Kobenko, Deputy Head of Samara Region led their respective delegations. The launch of the 'Make in India' campaign by the Prime Minister of India was featured in a special event organized by the Embassy at the Crocus Expo Centre on September 25. The Ambassador of India and the Director General of FIEO presented to an audience of Russian officials and companies, as well as the Indian business community in Russia,

the unique opportunities for foreign entrepreneurs and investors provided by India's manufacturing capacity, technical manpower strengths and R&D capabilities, now reinforced by enabling policies of the new Government in India.

The main objective of CLE Pavilion in the event was to display and promote the leather & leather products of India in Russian Market and also to create strong brand image of India. Russian buyers have demands on the high quality leather, Leather products and footwear produced in India. There was good response from the members for participation in the India Show Moscow. The total number of participant was 30 member exporters but due some unavoidable condition 2 members exporters were unable to attend the show. The lists of exhibitors are given below.

Sl No	Name of the Company	Place	Display Product
1	Alpine Poly Rub Pvt Ltd	DELHI	Synthetic Footwear with Outer Soles & Upper of Rubber or Plastic, Waterproof Footwear with Outer Sole and Upper of Rubber or Plastic
2	Bharath Enterprises	GURGAON	Leather Garments, Goods & Footwear
3	Capsons Co (Regd)	NOIDA	Leather Garments
5	Century Overseas	DELHI	Leather Garments, Accessories & Wovens
6	Chrometan Exports Pvt Ltd	KOLKATA	Bags, Wallets & Belts
7	Cinturones Alvi (India) Pvt Ltd	DELHI	Ladies Bags, Travel Bags, Portfolio Bags, Leather Belts, Wallets
8	Deepak Impex (Wasan Group)	AGRA	Shoe Sandals & Boots
9	Evergreen International Ltd	DELHI	Leather Garments&footwear
10	Farida Leather Company	CHENNAI	Finished Leather & Garments
11	Farida Shoes Pvt Ltd	CHENNAI	Leather footwear
12	Fashion Club Global	DELHI	Leather Garments (Jackets, Vests, Shorts, Trousers, Long Coats, Mini Chaps, Shirts, Skirts), Leather accessories - Hand-Bags, Belts, Wallets, etc, Shoes - Long Boots, Ballerinas, Slip Flops etc
13	Gupta HC Overseas India Pvt Ltd	AGRA	Ladies Leather High Fashion Footwear
14	Habib Fashions	KANPUR	Finished Leather, Leather Belts, Bags, Wallets, Shoe Uppers & Accessories
15	Jalan Exports Pvt Ltd	KOLKATA	Leather Bags, Wallets & Other Leather Goods
16	Kanchan Vanijya Pvt Ltd	KOLKATA	Leather Handbags, Small Leather goods & Leather Travel Accessories
17	Naaz Exports (P) Ltd	KANPUR	Fashion Footwear
18	Nadeem Leatherware Exports	CHENNAI	Leather Gloves
19	Om Leather Artdeco Pvt Ltd	KOLKATA	Ladies Handbags, Purses, Men's wallets, travel bags, portfolios, Laptop Cases & I pad cases.

20	Orion Conmerx	GURGAON	Leather Garments, Leather Goods
21	Pacific Global Exports INC	DELHI	Leather Garments & Leather Footwear Uppers
22	Priority Associates	DELHI	Shoes, Leather Garments, Boots & Leather Goods
23	Regency Impex	DELHI	Shoes, Sandals & Boots
24	Saroj International Leathers Pvt Ltd	NOIDA	Hi-Fashion Leather Garments and High Fashion Bags and Leather Accessories
25	Sarvesh Exports Pvt Ltd	DELHI	Leather Garments
26	Scarlet Impex	KOLKATA	Hand Bag, Wallets & Small Leather Accessories
27	Siddharth Exports	DELHI	Mens/ Ladies Leather Footwear
28	Smiriti Apparels Pvt Ltd	DELHI	Ladies and Men's Jackets
29	Star Exports	CHENNAI	Finished Leather
30	Super House Ltd	KANPUR	Fashion Footwear's-Men's & Women's, Safety Uppers

According to the feedback received from the participants, there was good number of business meetings held during the show resulting in generation of firm and generation of immediate future business . It is a matter of satisfaction that the event was attended by some of the large Russian companies. Like Snow Queens, Agni Group, Medvedkovo,

S.B company, Bollini & etc.

The Business Presentation Program of the Yaroslavl Region & Seminar on Leather Industry

On the 3rd day of the show the Governor of Yaroslavl Region H.E Mr S.N Yastrebov, the Ambassador Mr P.S Raghavan along with Padmashri M. Rafeeque Ahmed, President of

the Federation of Indian Export Organizations (FIEO) & former Chairman CLE visited all exhibitors stands & interacted with them.

During this occasion, there was a presentation on economic and investment opportunities in India and thereafter a key note address was given by H.E Mr S.N Yastrebov. Then a presentation has been given by Mr. A.V Zolotovskiy, Head of the agency of investment and cluster development. Mr S.S Polshuk , Head of the department of Investment policy of the Yaroslavl region has given presentation on industrial potential of the Yaroslavl region. After that business presentation has been given by India companies like Torrent Pharmaceuticals Ltd, Lupin Pharmaceuticals Ltd, TATA Motors, Grover International Ltd. From Leather Industry the spoke person was Mr. Mukhtarul Amin ,the former Chairman CLE & Chairman FDDI. Mr Amin gave a power Point presentation on the overview of India Leather Industry where he narrated about the product segments, production centres, brands sourced from India, Export ratio from India & etc. He also focused on Russian India Trade .After the wonderful presentation, Questions & Answer Session was held, followed by press meet of H.E Mr S.N Yastrebov, H.E the Ambassador Mr P.S Raghavan & Padamshri M. Rafeeque Ahmed, President of the Federation of Indian Export Organizations (FIEO) & former Chairman CLE. The seminar ended with free interaction of business representatives during the coffee –break.



Shri Sanjay Kumar, Regional Director, CLE and Ms. Sarmistha Banerjee, LDC-ER Region discussing with the organizers of Mos Shoes



Shri M. Rafeeque Ahmed, President, FIEO (right) welcoming Governor of Yaroslavl Region H.E Mr S.N Yastrebov



The Indian Delegates at the CLE stand



Shri M. Rafeeqe Ahmed, President, FIEO (left) discussing a point with Mr. Motilal Sethi of Saroj International



Shri Subash Kapoor, Regional Chairman (North), CLE at the stand of Saroj International



Shri Javed Iqbal of Naaz Exports explaining about his product to HE Indian Ambassador to Russia



Shri Mukhtarul Amin, Chairman, FDDI making presentation on the Indian Leather Industry



Shri Rajeev Kher, Secretary, Department of Commerce (2nd from left) at the CLE stall along with industry representatives



Shri Rajeev Kher, Secretary, Department of Commerce visiting the exhibition along with Governor of Yaroslavl Region H.E Mr S.N Yastrebov



Padmashri M. Rafeeqe Ahmed, President, FIEO along with Shri Ravi Kapoor, Joint Secretary, Dept. of Commerce

VIEW OF BUSINESS MEETINGS



Conclusion

On the whole, we feel that it was a good beginning for us in the Russian market this India Show Moscow and has helped in generation of contacts with many potential Russian buyers. The show has helped in generating awareness among Russian buyers on the potential of the Indian leather. The Council in future will try to have more promotional events in Russia with the guidance of the Indian Embassy in Moscow. The Council for Leather Exports is thankful to the Indian Embassy in Russia for all help and support provided by the Embassy in Moscow and also to FIEO.