Sustainable Development of MSME’s
Contents

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Why MSME’s

- Engine for economic growth and development in every country
- Very important for India due to huge human resource
- Labour intensive – providing more opportunities for low skilled workers
- MSME’s are normally 8 to 10 times more labour intensive compared to large enterprises
- Important link in the supply chain for the large Enterprise
- Potential for innovations due to flexibility and risk taking abilities
- Create job opportunities in small towns and villages
- Key to trade balance as they use majorly local RM’s and PM’s
GLOBAL Vital Statics

- 80% global enterprises are SMEs, with less than 250 employees
- 90% of EU‘s business
- 85% of USA‘s business
- 90% of UK‘s business
- 70% of World‘s production
Constraints

• Difficulty to absorb large fixed costs
• Absence of economies of scale
• Higher unit costs of production
• Long term finances
• Short cuts on quality
• Access to global markets
• Large enterprise push the environmental burden on MSME’s by outsourcing
• Large enterprise drive the policies

• Passive MSME’s associations
ORGANIC INDIA

Unique Business Model

• Everyone in the chain in win win situation
• Mother earth – Organic process
• Family Farmers – Premium pricing and total respect
• Associates – Transparency
• Employee – Partners
• End consumers – Authentic organic products
• Planet as a whole wins
• We certainly have made some difference in past few years and look forward to making larger difference in coming years
• IN SHORT – SUSTAINABLE FOR PLANET
India Presence

[Map showing India's presence with marked locations]
ROW: 2011

1. CANADA
2. BRAZIL
3. NIGERIA
4. KENYA
5. SOUTH AFRICA
6. FRANCE
7. ITALY
8. GERMANY
9. CZECH REPUBLIC
10. SLOVAKIA
11. SLOVENIA
12. NORWAY
13. SWEDAN
14. FINLAND
15. DENMARK
16. LITHUANIA
17. ESTONIA
18. LATVIA
19. UK
20. HUNGARY
21. RUSSIA
22. MALAYSIA
23. HONG KONG
24. INDONESIA
25. SINGAPORE
26. JAPAN
27. NEW ZEALAND
28. AUSTRALIA
29. TURKEY
30. ISRAEL
31. CROATIA
32. ICELAND
33. MAURITIUS
34. ARMENIA
35. BENLUX
36. POLAND
7th Largest Brand in Natural!

<table>
<thead>
<tr>
<th>Product</th>
<th>DOLLARS</th>
<th>% Chg YA, $</th>
<th>$ / Pt. of DIST</th>
<th>Dollar Growth Contrib</th>
<th>UNITS</th>
<th>% Chg YA, U</th>
</tr>
</thead>
<tbody>
<tr>
<td>YOGI TEA</td>
<td>$11,581,554</td>
<td>4.0 %</td>
<td>$3,007</td>
<td>$444,893</td>
<td>2,892,404</td>
<td>(3.4) %</td>
</tr>
<tr>
<td>TRADITIONAL MEDICINALS</td>
<td>$10,710,120</td>
<td>7.7 %</td>
<td>$3,459</td>
<td>$762,848</td>
<td>2,345,222</td>
<td>11.7 %</td>
</tr>
<tr>
<td>CELESTIAL SEASONINGS</td>
<td>$7,821,416</td>
<td>1.9 %</td>
<td>$2,180</td>
<td>$145,628</td>
<td>2,494,943</td>
<td>(3.4) %</td>
</tr>
<tr>
<td>TAZO TEA</td>
<td>$5,055,418</td>
<td>0.9 %</td>
<td>$3,285</td>
<td>$43,942</td>
<td>1,325,969</td>
<td>(6.2) %</td>
</tr>
<tr>
<td>CHOICE ORGANIC TEA</td>
<td>$4,597,122</td>
<td>0.6 %</td>
<td>$3,179</td>
<td>$26,890</td>
<td>1,312,688</td>
<td>(2.5) %</td>
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<tr>
<td>REPUBLIC OF TEA</td>
<td>$3,978,482</td>
<td>3.7 %</td>
<td>$2,430</td>
<td>$142,985</td>
<td>414,217</td>
<td>(0.7) %</td>
</tr>
<tr>
<td>ORGANIC INDIA</td>
<td>$1,606,647</td>
<td>50.8 %</td>
<td>$2,377</td>
<td>$540,953</td>
<td>445,925</td>
<td>58.3 %</td>
</tr>
<tr>
<td>GUAYAKI</td>
<td>$1,604,211</td>
<td>1.6 %</td>
<td>$3,370</td>
<td>$25,360</td>
<td>221,197</td>
<td>(6.8) %</td>
</tr>
<tr>
<td>NUMI</td>
<td>$1,603,686</td>
<td>10.4 %</td>
<td>$2,328</td>
<td>$150,829</td>
<td>268,034</td>
<td>5.5 %</td>
</tr>
<tr>
<td>STASH TEA</td>
<td>$1,404,825</td>
<td>9.7 %</td>
<td>$1,674</td>
<td>$124,106</td>
<td>528,918</td>
<td>11.2 %</td>
</tr>
<tr>
<td>GOOD EARTH</td>
<td>$1,319,662</td>
<td>9.3 %</td>
<td>$2,332</td>
<td>$111,751</td>
<td>330,573</td>
<td>(0.5) %</td>
</tr>
<tr>
<td>TRIPLE LEAF</td>
<td>$1,189,382</td>
<td>8.3 %</td>
<td>$1,986</td>
<td>$90,777</td>
<td>336,112</td>
<td>7.2 %</td>
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<tr>
<td>ECOTEAS</td>
<td>$951,818</td>
<td>5.8 %</td>
<td>$4,957</td>
<td>$52,343</td>
<td>158,637</td>
<td>8.3 %</td>
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<tr>
<td>OREGON CHAI</td>
<td>$935,333</td>
<td>(13.8) %</td>
<td>$3,118</td>
<td>$149,407</td>
<td>203,789</td>
<td>(14.7) %</td>
</tr>
</tbody>
</table>
## 2nd Fastest Grocery Growth Brand!

<table>
<thead>
<tr>
<th>Product</th>
<th>DOLLARS</th>
<th>% Chg YA, $</th>
<th>$ / Pt. of DIST</th>
<th>Dollar Growth Contrib</th>
<th>UNITS</th>
<th>% Chg YA, U</th>
</tr>
</thead>
<tbody>
<tr>
<td>BIGELOW</td>
<td>$862,137</td>
<td>140.2 %</td>
<td>$15,966</td>
<td>$503,193</td>
<td>254,881</td>
<td>145.8 %</td>
</tr>
<tr>
<td>ORGANIC INDIA</td>
<td>$609,133</td>
<td>80.2 %</td>
<td>$18,459</td>
<td>$271,176</td>
<td>165,022</td>
<td>66.5 %</td>
</tr>
<tr>
<td>GUAYAKI</td>
<td>$1,592,913</td>
<td>68.8 %</td>
<td>$25,692</td>
<td>$649,022</td>
<td>242,221</td>
<td>65.8 %</td>
</tr>
<tr>
<td>MIGHTY LEAF TEA</td>
<td>$2,926,014</td>
<td>56.9 %</td>
<td>$35,253</td>
<td>$1,061,280</td>
<td>357,693</td>
<td>61.5 %</td>
</tr>
<tr>
<td>ZHENAS GYPSY</td>
<td>$1,744,859</td>
<td>36.8 %</td>
<td>$18,966</td>
<td>$469,095</td>
<td>300,114</td>
<td>36.3 %</td>
</tr>
<tr>
<td>TAYLORS OF HARROGATE</td>
<td>$1,036,357</td>
<td>26.0 %</td>
<td>$74,026</td>
<td>$213,908</td>
<td>165,418</td>
<td>34.8 %</td>
</tr>
<tr>
<td>TRIPLE LEAF</td>
<td>$2,059,863</td>
<td>15.1 %</td>
<td>$24,818</td>
<td>$269,485</td>
<td>525,599</td>
<td>15.4 %</td>
</tr>
<tr>
<td>YOGI TEA</td>
<td>$13,810,933</td>
<td>7.8 %</td>
<td>$23,251</td>
<td>$995,453</td>
<td>3,232,968</td>
<td>3.0 %</td>
</tr>
<tr>
<td>NUMI</td>
<td>$2,935,349</td>
<td>7.5 %</td>
<td>$22,407</td>
<td>$205,622</td>
<td>478,097</td>
<td>2.4 %</td>
</tr>
<tr>
<td>REPUBLIC OF TEA</td>
<td>$5,031,219</td>
<td>7.3 %</td>
<td>$61,356</td>
<td>$342,386</td>
<td>518,211</td>
<td>6.5 %</td>
</tr>
</tbody>
</table>
International Cricketers
With Tulsi Tea
Our Retail Presence

- Food bazaar, Bangalore
- International trade Fair, Rishikesh
Our Products in Modern retail
Spencer’s Retail, Ghaziabad

Modern Bazaar, Delhi
Stand alone - Retail

Metro- Bangalore
Promotional activity – Early morning

- Wet dispensing of Tulsi Tea at Air Force club Bangalore
- Ladies in the queue for tasting Tulsi Tea.
Good Morning ....have Tulsi Tea!

- Early morning activity at Garden.
Our Partners- Esteemed Doctors

ORGANIC INDIA DAY CELEBRATION

17th February
Tulsi sapling distribution to the Doctors
Tulsi Green Tea to be the No.1 Health Drink in the near future
ORGANIC INDIA FOUNDATION TEAM
INITIATIVES AND RESULTS

- Vocational training to women - Stitching classes to empower them
- Self Help groups for women – Lead a dignified life by growing Tulsi
- Hygiene improvement by partnering with villagers to construct toilets
- Over 50,000 villagers / farmers treated every year
- Blanket distribution every year
- Financial support to bright students in Villages
- Job opportunity for bright students from the villages in ORGANIC INDIA
CURRENT ACTIVITIES

- Free Medical Services
- Free Medicines
- Regular Health Camps
- Counseling
- Health Awareness Program
- Community Events
HEALTH PROJECT HIGHLIGHTS

VOLUNTARY BLOOD DONATION CAMPS.

Every year ORGANIC INDIA Foundation organizes voluntary blood donation camps at its health centers in collaboration with the government blood banks.
Together, We will make the difference
Conclusion

• Sustainable development of MSME’s is vital for India
• Learn from the working of successful MSME’s
• Use the government schemes / support by creating effective clusters / associations and HIRE a professional to do the coordination
• Effective cluster / association can work like a large enterprise
• Large enterprise is equally dependent on MSME’s
• Continuous innovation
• Focus on quality
• Create unique win win business model
Best Wishes

krishan@organicindia.com