Chapter II Profile of Abhyankar Footwear Pvt. Ltd.

2.1 Background

Abhyankar Footwear Private Limited is a leather footwear company promoted by Shri Vishnu Ganesh Abhyankar and his sons Shri Ganesh and Shri Chetan.

Abhyankar family was living in Kokan. Vishnuji had eight brothers and three sisters. From his childhood Vishnuji Abhyankar wanted to become a businessman. When he was fifteen years old, he left his home as well as education and he went to Ratnagiri and took the job of a worker or helper boy in a cloth shop. However, he was not happy in the job and his dream was to be a businessman and start his own business.

Then he went to Poona and did some small job. Afterwards he went to Nagpur. There he meet Tatyaji Vazalkar who arranged for his admission in 'Leather Industry Training Center in Vilaspur'. Vishnuji joined the Institute and acquired the knowledge of manufacturing of leather goods. In first year of the course he secured first rank. After that he got the job in the Government Training Center. He completed simultaneously another course of supervisor and leather art trainer. After completing the course he worked in the Industrial Training Institution as a teacher. Then he went to Madras and completed his factory management course under the guidance of a German Researcher.

Shri Vishnu's wife Mrs. Alakatai encouraged Vishnu and helped him in his pursuit. She went from door to door and met with people and collected data as to their likes and dislikes about footwear products. Finally Vishnuji and Alkatai started their business on 30th January;1964. Alkatai took the responsibility of marketing of footwear products. After manufacturing of footwear she went from door to door showed the footwear asked about their comments and invited people for purchasing footwear in the shop. However, Abhyankers did not get response from the people. It was after four years that the first customer arrived in their shop that is in the year 1968. Then the business started growing but during this period Vishnuji lost his wife. Vishnuji became nervous but he was determined to complete his wife's dream. Vishnuji's mother came forward to help him in his business.

During the period 1969-71 Vishnuji got financial help from his relatives and State Bank of India and his dream was materialized. His business got established. Then he invited his old student from Madras Training Center and collected some local labur to carry on the footwear making business.

Today, Vishnuji is a successful businessman in Kolhapur City. Vishnuji belongs to Brahmin caste but he dared to enter into leather business. He never thought of his caste in doing leather business. He broke the restrictions of society and became a successful entrepreneur.

Today, Abhyankar chappels, sandals sell in Pune, Kolhapur, Ratnagiri districts and other far-off places of Maharashtra State. In 1984 he shifted his business to his own building and started one more unit at Pirachi Wadi in Karveer taluka of Kolhapur district.

Conversion of business into Private Ltd. Company.

The proprietorship business was converted into a Private Limited Company in the year 2001.

2.2 Mission of Abhyankar Footwear Pvt. ltd.

- 1. Customer satisfaction.
- 2. Catering the needs of customer.
- 3. Provide jobs to women.
- 4. Maintaining quality of products
- 5. Provide quality at reasonable price.

2.3 Location

The factory is located in Kalamba which is at 5 kms away from Kolhapur city. All necessary infrastructural facilities are available near the factory site. The total built- up area of factory building is 200 sq. meters.

2.4 Capital

The Company is incorporated on 31St March 2006 with an authorized capital of Rs. 30 Lakhs. As divided into 30000 equity shares of Rs. 100 each. It is contributed by the Abhyankar family as follows.

	· ·	(Figures in lakhs)
a.	Mr. Vishnu G. Abhyankar	15.33
b.	Mr.Ganesh V. Abhyankar	8.89
c.	Mr. Cheten V. Abhyankar	4.76
d.	Mrs. Madhura G. Abhyankar	0.46
e.	Mrs. Shruti C. Abhyankar	0.46
f.	Mrs. Devikarani V. Abhyankar	0.10

2.5 Employees

There are 50 workers in the factory and 3 employees working in the office. Workers are divided into three categories viz. Helpers, Skilled and Semi-skilled. Out of 50 workers 30 are women and 20 are males.

The Company provides the facility of provident fund to its employees. Percentages of provident fund contribution are follows.

- Employee's Contribution -- 12%
- Employer's Contribution -- 13.6%

The Company also arranges trip for its employees every year. All expenses of the trip are incurred by the Company.

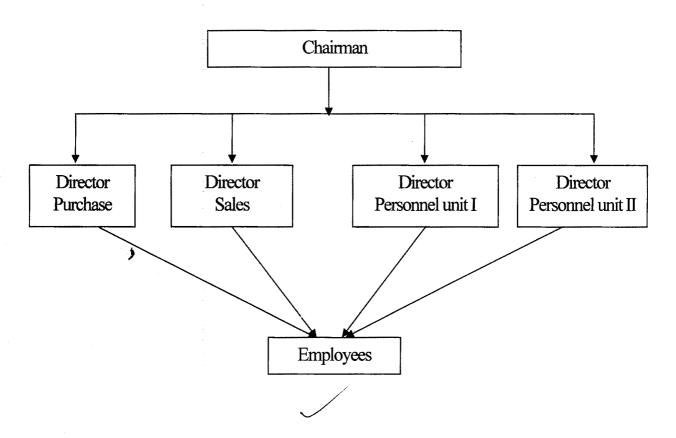
2.6 Installed Production Capacity

The installed production capacity of the Company is 10000 pairs per month and the actual monthly production is 6000 pairs. This shows that 60 percent of installed capacity is being used at present.

2.7 Management

Vishnuji handles all business of the company. His sons Shri. Ganesh and Shri. Chetan Abhyankar look after the purchase and sales departments. Ganesh Abhyankar manages purchase department activities like purchase of leather sheet, fevicol etc., Chetan Abhyankar handles sales department and distribution section. Vishnuji's daughter-in-law Sou. Madhura and Shruti look after personnel department activities solve labour problems as well as arrange trips for workers and other labour welfare programs.

Chart 2.1
Organization structure of Abhyankar footwear Pvt. Ltd.



2.8 Performance of Company

The Performance of the Company during the period from 2001-2002 to 2005-2006 is shown in Table 2.1.

Table 2.1
Performance of the Company (figures in lakhs)

Year					
Item	2001-02	2002-03	2003-04	2004-05	2005-06
Sales	98.85	114.42	116.04	119.87	133.25
Profit before Tax	3.25	2.82	2.88	3.34	1.80
Profit after Tax	1.95	1.84	1.93	2.05	0.83

Source: - Annual reports of the Company

From Table 2.1 it is observed that the sales have increased from Rs. 98.85 lakhs in 2001-02 to Rs. 133.25 lakhs in 2005-06. The net profit has declined from Rs. 1.95 lakhs to Rs. 0.83 lakhs. On enquiry about the decrease in profit it was told that profits have declined because of increased administrative and marketing expenses.

Chart 2.2

2.9 Process of making of Footwear

Parts of leather sheet Clicking of leather sheet (Cutting) Preparation of cut components Marking Attaching Stitching Fitting (Lasting) **Pasting** Finishing and Cleaning Packing

Figure 1 Parts of Leather sheet

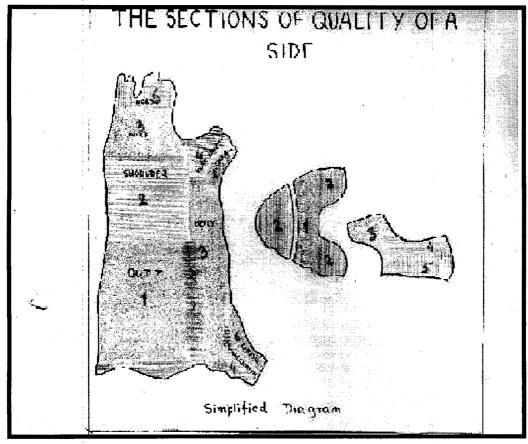


Table 2.2

1) Parts of leather sheet

Sr. No.	Name of Part	Attributes	Uses	
1	Butt	Regular substance, strong character, fine texture, relatively free from surface defects.	Vamp and back straps, if necessary toe cap also.	
2	Shoulder and section between butt and belly.	Good bearing properties but often growth marks and other defects.	Caps, wings of vamps.	
3	Neck	Strong leather but often growth marks and other defects	Quarters	
4	Belly	Usually free from defects but some times loose Quarters		
5	Shanks	Considerably thin in quality	Quarters	
6	Offal	Loose and spongy	Tongues and eyelet straps.	

2) Clicking of leather sheet

In the process of cutting, leather sheets are cut without changing its natural property as per requirement of shoes type.

3) Preparation of Cut Component

After clicking leather sheet most important step is preparation of cut components, such as mould the cut part of belt of chapple or sandal.

4) Marking

Marking is done before attaching. As per the plan given by the designer, marking is done on the cut component of shoes for making it more attractive.

5) Attaching

It is pre-final step of making shoes. In this process various cut components are attached by solution.

6) Stitching

In stitching process all attached component are stitched by way of machine.

7) Fitting (Lasting)

At this stage, the purpose is to give proper shape to upper section of shoes. For this it is put in the mould to retain fit. Fitting becomes beneficial to the machine operator and saves his time.

8) Pasting

Sole and upper side portion of shoes is fitted with the help of solution. The surplus leather is cut and a channel is made for.

9) Finishing and Cleaning

Before making a final product, it goes through various processes. In some process there is possibility of some marks remaining on chapples. Finishing and cleaning process helps to hide all manufacturing defects.

10) Packing

Each and every box is marked with the chapple size, design code number and color code. Proper packing is preferred for safety of footwear and attracting the customer. Pair of footwear is packed in the box and then it is sent to showroom.

Table 2.3

Difference between the foot of an Adult and Child

Point	Adult	Child		
Toe	The length of the toe will be more and sloppy	The toe will be straight and flat		
Joint	Tapering	Broad and square		
Instep	The height begins from metatarsus bone.	The height of the instep begins from joint of fingers.		
Throat of				
foot	Will be less deep. More	More deeper than Adult. Less		
Ankle	outside in the foot	outside		
bone				
Below	-			
ankle and	Deep.	Almost full.		
above	Беср.	Annost tun.		
seat				
Back	Pronounced more curve due	Slight curve		
curve	to heel bone			
Bottom of	With good arch	Straight and flat with little arch		
sole	Trial good aren			
Joint firth Greater portion of fingers		Less portion of fingers		

Source: Company records.

Figure 2
The Form of marking

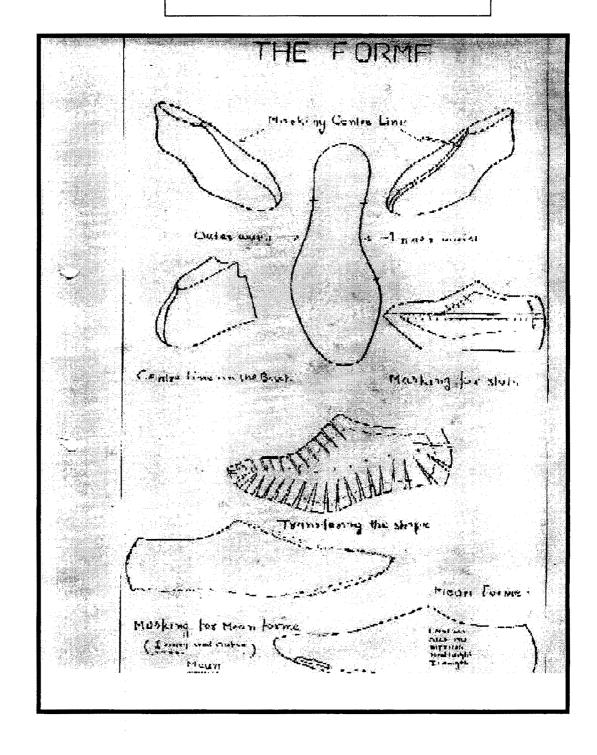


Figure 3
Tools and Equipment

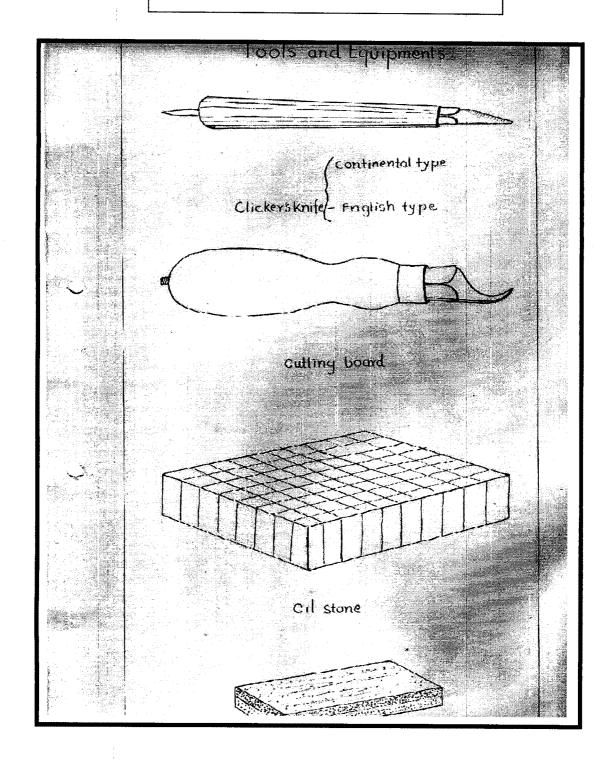


Figure 4 Clicking Knife Directing and using

