

**GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION**

**LOK SABHA**

**UNSTARRED QUESTION NO. 2177.  
TO BE ANSWERED ON MONDAY, THE 24<sup>TH</sup> DECEMBER, 2018.**

**GROWTH OF LEATHER INDUSTRY**

**2177. SHRI RABINDRA KUMAR JENA:**

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

**वाणिज्य एवं उद्योग मंत्री**

- (a) the present condition of the leather industry in the country particularly in Maharashtra and Uttar Pradesh;
- (b) whether there has been a slow down in the leather production and export during each of the last three years and the current year;
- (c) if so, the details thereof and the reasons therefor along with the growth rate of exports in leather industry;
- (d) whether there has been a supply crunch in leather industry particularly in Agra region of Uttar Pradesh; and
- (e) if so, the details thereof and the reasons therefor along with the corrective steps taken by the Government in this regard?

**ANSWER**

**वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री सी.आर. चौधरी)**

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRI C.R. CHAUDHARY)**

- (a): As per information received from Council for Leather Exports (CLE), Leather Industry occupies a prominent place in the industrial map of the country. India is the second largest producer of footwear, 2<sup>nd</sup> largest exporter of Leather Garments, 5<sup>th</sup> largest exporter of Leather Goods and 3<sup>rd</sup> Largest Exporter of Saddlery and Harness items. Uttar Pradesh and Maharashtra are major production and export centres of leather, leather products and footwear. According to membership records of Council for Leather Exports (CLE), Uttar Pradesh contributed a share of 31.35% in total exports of leather, leather products and footwear from the country while Maharashtra contributed 2.28% during 2016-17.
- (b): As per information received from Council for Leather Exports (CLE), the manufacturing based export of leather, leather products and footwear from India increased from USD 5.65 billion in 2016-17 to USD 5.74 billion in 2017-18, growing by 1.65%. The exports showed decline of 9.84% and 3.56% in

Dollar Terms during 2015-16 and 2016-17 respectively. However, during the current year, exports showed increase of 5.25% in rupee terms as compared to the same period last year, as shown below.

**India's Exports Leather and leather products - Value in US\$ Mn**

Products	2015-16	2016-17	2017-18	% change 2016-17	% change 2017-18
FINISHED LEATHER	1046.45	886.39	874.23	-15.30%	-1.37%
LEATHER FOOTWEAR	2147.98	2128.87	2193.61	-0.89%	3.04%
FOOTWEAR COMPONENTS	284.34	298.69	335.24	5.05%	12.24%
LEATHER GARMENTS	553.11	535.66	518.96	-3.15%	-3.12%
LEATHER GOODS	1370.04	1316.63	1365.33	-3.90%	3.70%
SADDLERY AND HARNESS	146.38	142.35	155.88	-2.75%	9.50%
NON-LEATHER FOOTWEAR	306.74	338.21	296.68	10.26%	-12.28%
<b>TOTAL</b>	<b>5855.04</b>	<b>5646.8</b>	<b>5739.93</b>	<b>-3.56%</b>	<b>1.65%</b>

Source : DGCI&S

**(Value in Million Rs)**

CATEGORY	APRIL - OCTOBER	APRIL - OCTOBER	% VARIATION
	2017	2018	
FINISHED LEATHER	33924.05	32289.59	-4.82%
LEATHER FOOTWEAR	81199.38	89474.92	10.19%
FOOTWEAR COMPONENTS	12429.8	13598.43	9.40%
LEATHER GARMENTS	20563.32	20477.74	-0.42%
LEATHER GOODS	50951.05	55557.33	9.04%
SADDLERY AND HARNESS	5848.60	6670.5	14.05%
NON-LEATHER FOOTWEAR	12589.74	10860.91	-13.73%
<b>TOTAL</b>	<b>217505.94</b>	<b>228929.42</b>	<b>5.25%</b>

- (c): As per information received from Council for Leather Exports (CLE), the major reasons for the decline in exports is due to external factors namely recession in the major market of European Union (to which about 55% of exports are directed), instability in middle-east, stiff competition from Polyurethane Garments to the Leather Garments segment, decrease in demand of non-leather footwear in African countries due to emergence of production centres in those countries and competition from China and decrease in global imports of finished leather.
- (d): No.
- (e): The question does not arise, in view of reply at 'd'.

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