

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1726

ANSWERED ON:07.03.2006

. LEATHER INDUSTRY

Owaisi Shri Asaduddin

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

- (a) whether allocation of Rs. 400 crores for modernization of Leather Industry has been utilized;
- (b) if so, the details thereof;
- (c) if not, the steps taken by the Government in this regard;
- (d) the export share of leather in the world market at present;
- (e) whether the industry is losing its business in China;
- (f) if so, the reasons therefor;
- (g) the steps taken by the Government to enhance the export potential of leather;
- (h) whether the Leather Industry is demanding similar status as given to Textile Industry; and
- (i) if so, the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR)

(a) to (c): The Union Government is implementing a plan Scheme, namely, the "Indian Leather Development Programme" (ILDLP) with 10th Plan outlay of Rs. 400 crore. The ILDP consists of two programmes, viz., "Integrated Development of Leather Sector" (IDLS) and "Infrastructure Strengthening of Leather Sector" (ISLS) with outlays of Rs. 290 crore and Rs. 110 crore respectively. The IDLS is a comprehensive scheme for modernization and technology up gradation in all the segments of the Leather Industry, namely tanneries, footwear, footwear components, saddlery, leather goods and garments and it has become operational with effect from 3rd November, 2005. In order to bring about awareness of the Scheme road shows and seminars are being organized at different places. The Project Implementing Agencies, viz., Central Leather Research Institute and Footwear Design & Development Institute have so far received and are processing 58 applications for assistance under the Scheme.

(d): As per the World Trade Statistics published by International Trade Centre, Geneva, India's export of leather and leather products during the year 2003 was US \$ 2216.45 million, accounting for 2.51% in the global leather trade.

(e) and (f): No Sir, Indian exports in leather and leather goods to China has been 16.57 million US\$ in 2002-03, 22.87 million US\$ in 2003-04 and 32.59 million US\$ in 2004-05.

(g): The Government of India has announced special focus initiatives under the National Foreign Trade Policy 2004-09. The Government has also launched the IDLS Scheme on November 3, 2005 for modernization and technology up gradation in the Leather Industry for increasing the competitiveness in export market.

(h): No, Sir.

(i): Not applicable.