

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

STARRED QUESTION NO:266

ANSWERED ON:22.03.2005

MODERNIZING LEATHER INDUSTRY

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

- (a) whether the potential for developing the leather industry in the country has been assessed;
- (b) if so, details thereof;
- (c) whether the Government have identified the problems facing the industry;
- (d) if so, details thereof and the plans envisaged for solving the same;
- (e) whether the Government is intending to modernize leather industry to strengthen its position in the global market; and
- (f) if so, details thereof?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

- (a) & (b): The Working Group on Leather & Leather Goods Industry set up by the Planning Commission for the Tenth Five Year Plan assessed that, with adequate investments in both marketing and manufacturing, the Indian leather industry had the potential to achieve 10-14% share in the world trade.
- (c): Inadequate investment resulting in technology obsolescence, smaller capacities and poor productivity were identified as the main problems facing the Leather Industry.
- (d) to (f) In order to catalyze private investment in the sector, Government has envisaged the Indian Leather Development Programme (ILDPP), which is aimed at technology up-gradation, modernization & expansion, setting up of product-specific industrial parks, human resources development, productivity improvement and market development.