

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

UNSTARRED QUESTION NO:4977
ANSWERED ON:07.05.2012
LEATHER EXPORTS
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the details of number of leather parks established across the country during the last three years, State-wise;
- (b) the details of number of leather parks under construction and proposed to be established across the country particularly in Tamil Nadu; and
- (c) the steps taken by the Government to encourage the exports of value added leather products?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b) Leather parks related to a sub-scheme during the 11th Plan Period for addressing the infrastructure constraints being faced by Leather Industry in the country. Since, the sub-scheme could not attract the interest of Leather Industry, a new sub-scheme namely "Mega Leather Cluster (MLC)" has been introduced in lieu of this sub-scheme with the same objective and a much broader ambit. The MLC scheme provides for Government grant for different sizes of Mega Leather Clusters to address the infrastructure constraints of Indian Leather Sector. The sub-scheme (MLC) has been notified on 20 March 2012. The guidelines of the sub-scheme (MLC) have been hosted on the website of the DIPP.

(c) For promotion of exports, Government of India has identified leather sector as a Focus Sector in Foreign Trade Policy 2009-14 which, inter- alia, includes facilities such as (a) allowing duty free import of critical inputs to the extent of 3% of FOB value of export realization in the previous year (b) duty credit scrip of 4% for notified leather products and footwear & 2% duty credit scrip for finished leather under Focus Product Scheme (c) Zero Duty Export Promotion Capital Goods Scheme (EPCG) to facilitate import of machinery (d) 1 % duty credit scrip under Status Holders Incentive Scrip Scheme for status holders in leather sector (except finished leather segment) for import of capital goods under actual user condition.