

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:3328
ANSWERED ON:12.02.2014
DECLINE IN LEATHER INDUSTRY
Singh Shri Pashupati Nath

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether there has been a decline in the products manufactured/exported by the leather industry;
- (b) if so, the details thereof and the reasons therefor during each of the last three years and the current year;and
- (c) the steps taken/proposed to be taken by the Government in this regard?

Answer

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI K. H. MUNIYAPPA)

(a) No, Madam.

(b) Does not arise.

(c) The leather sector has been identified as focus sector in the Foreign Trade Policy 2009-14. The Government of India is implementing several schemes under Foreign Trade Policy for the development of leather industry. These include;

4% Duty Credit Scrip under Focus Product Scheme for notified leather products and footwear.

3% Duty Credit Scrip under Focus Market Scheme and 4% Duty Credit Scrip under Special Focus Market Scheme.

Zero Duty EPCG Scheme for import of Capital Goods.

2% Duty Credit Scrip under Focus Product Scheme for Finished Leather.

1% Duty Credit Scrip under Status Holders Incentive Scrip Scheme

Incremental Exports Incentivization Scheme.

Besides Interest Subvention Scheme on Rupee export credit was enhanced for MSME Units in leather industry from 2% to 3% from August 01, 2013.

For Export promotion to assist exporters Market Development Assistance and (MDA) and Market Access Initiative Schemes (MAI) are also in the process of application.

Further Indian Leather Development Programme for growth of the leather sector for the current 12th Five Year Plan 2007-12 are also in progress.