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Title: Need to abolish export duty on E.I. Tanned Leather.

SHRI S.K. KHARVENTHAN (PALANI): Tamil Nadu is the first State producing large quantity of E.I. Tanned Leather and exporting the same throughout the world for the last 15 decades until it was banned in the year 1990. Large number of Dalits, Minorities, Women are employed in this industry. Now those industries which claim to export Value Added Product have stopped buying this sort of Leather which has pushed this industry to a dormant stage of working to 20 to 30% of the capacity. Leather industries in Tamil Nadu already increased Rs 100 crore for establishing Pollution Treatment Plants and decided to spend Rs. 150crore for zero discharge.

The Leather Industry is facing a stiff competition from Pakistan and Bangladesh. To make this situation worse, there is a 15% Export Duty on the export of E.I. Tanned Leather which makes the export impossible. Therefore, the revenue expected from the export of this Tanned Leather has also not been achieved. If this situation continues, there is a danger of lakhs of Dalits, women and minorities being thrown out of jobs and made to starve eventually due to closure of tanneries permanently, particularly in Dindigul, Trichy, and other Districts in Tamil Nadu. There is a wrong perception that export of EI Leather from India will lead to a shortage of semi-finished leather to feed their industries. But the real case is that most of the value addition leather industries import raw skins and semi-finished leather at cheaper prices from Gulf and African countries instead of buying in the Indian Market. Tamil Nadu's contribution towards the total leather Export of India was 70% before the recommendations of Dr. Seetha Ramaiah Committee which has now diminished to 40% last year and there is a genuine fear that Tamil Nadu may cease to contribute towards the export of leather.

Hence, I urge upon the Union Government to take immediate steps for removing the export duty on E.I. Tanned Leather and to rescue the dying E.I. Leather industry in the country.

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\*Treated as laid on the Table.