

Incredible India

# LEATHER



TOUGHER, STRONGER, ALL-TIME WINNER



Leather is one of the most widely-traded commodities globally. The growth in demand is driven by the fashion industry, especially footwear, furniture and interior design, and the automotive industry, among others.

The Indian leather industry occupies a place of prominence in the Indian economy in view of its substantial export earnings and growth, besides the fact that it employs 2.5 million people. The Indian leather industry has scaled new heights in the past and is all set to achieve success in the future as well.

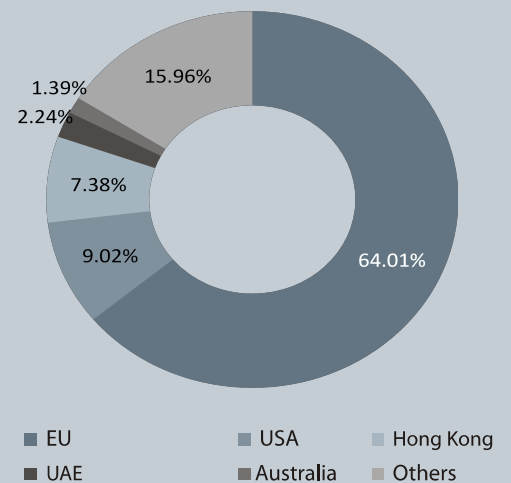
The industry has maintained a high level of performance and has grown to such an extent that acclaimed international clients now acknowledge the Indian leather industry's presence on the global stage. The export of leather and leather products increased manifold over the past decades and touched US\$ 4.86 billion in 2011-12.

### TAKING GLOBAL STRIDES

Today, India has an established presence in the major leather markets across the world. The industry's prospects have brightened in recent years as the Indian leather industry has made greater inroads and emerged as a credible and reliable supplier of leather and leather products, including footwear, in the global market.

THE COUNTRY IS THE SECOND-LARGEST MANUFACTURER OF FOOTWEAR IN THE WORLD WITH THE PRODUCTION OF 2,065 MILLION PAIRS PER YEAR

Key Export Destinations for India, 2011-12



Source: DGCI&S

### GALLOPING EXPORTS

India's leather industry has witnessed robust growth, transforming from a mere raw material supplier to a value-added product exporter. In fact, today, almost 50 per cent of India's leather business comes from international trade.

- The major markets for Indian leather products are Germany, Italy, the UK, the US, Hong Kong, Spain, France, the Netherlands, the UAE, Portugal and Belgium.
- For the period 2007-08 to 2011-12, India's leather exports grew at a rate of 8.2 per cent, reaching US\$ 4.86 billion in 2011-12.



Brands Sourced from India		
Footwear	Leather Garments	Leather Goods/ Accessories
Acme, Ann Taylor, Bally, Charter Club, Clarks, Coach, Colehann, Daniel Hector, Deichmann, DKNY, Double H, Ecco, Elefanten, Etienneaigier, Florsheim, Gabor, Geoffrey Beene, Guess, Harrods, Hasley, Hush Puppies, Kenneth Cole, Liz Claiborne, Marks & Spencer, Nautica, Next, Nike, Nunn Bush, Pierre Cardin, Reebok, Salamander, Stacy Adams, Tommy Hilfiger, Tony Lama, Versace, Yves St. Laurent	Pierre Cardin, Tommy Hilfiger, Versace, DKNY, Liz Claiborne, Ann Taylor, Nautica, Kenneth Cole, Charter Club, Daniel Hector	Coach, Liz Claiborne, Harrods, Yves St, Laurent, Tommy Hilfiger, Etienne Aigner, Geoffrey Beene, Marks & Spencer, Guess, Next, Pierre Cardin
MNC Brands in India	Indian Brands	
Aldo, Bally, Clarks, Ecco, Florsheim, Ferragamo, Hush Puppies, Lee cooper, Lloyd, Marks & Spencer, Nike, Nine West, New Balance, Reebok, Rockport, Stacy Adams	Red Tape, Bata, Liberty, Khadims, Lakhani, Metro, Action	

## INDIA — THE PREFERRED GLOBAL SOURCING DESTINATION

With global players looking for new sourcing options, India stands to gain a bigger share of the global market. Several international brands already source leather and leather products from India, as detailed in the box above. Moving ahead, an increasing number of leading brands from the US and Europe are looking at the option of procuring leather and leather products from India. Currently, US retail giant Wal-Mart is sourcing footwear from India.

## THE INDIAN FOOTWEAR INDUSTRY — A GLOBAL LEADER

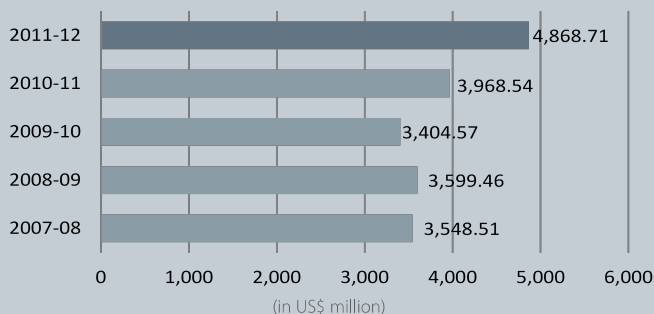
Footwear is a critical segment for the Indian leather industry and it is expected to be the engine of growth for the Indian leather sector. India is poised to take over the mantle of a major destination for sourcing footwear. Already, the country is the second-largest manufacturer of footwear in the world with the production of 2,065 million pairs per year. The footwear industry in India, with export revenues of US\$ 2 billion in 2011-12, registered a growth rate of 8.6 per cent during 2007-08 to 2011-12.

## ADVANTAGE INDIA

Global players consider India as the prime market to be in. The post-liberalisation era has opened up a plethora of opportunities for the Indian leather industry.

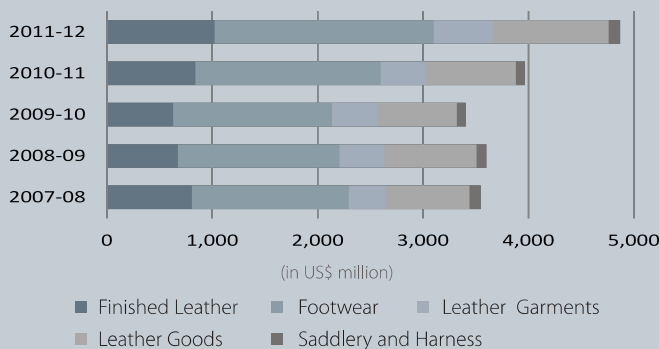
- India has a production capacity of more than 2 billion sq.ft. of leather in modern manufacturing units.
- Environmental regulation compliances are in place and they are stronger than those in some of India's closest competitors, including China.
- A leather development programme, namely the Indian Leather Development Programme (ILDLP), with US\$ 79 million funding for the current five-year plan period (2012-2017) is providing a fillip to the industry.

Growth of India's Leather Exports (2007-08 to 2011-12)



Source: Council for Leather Exports

Segment-wise Export Performance (2007-08 to 2011-12)



Source: Council for Leather Exports

- Finished leather registered export revenues of US\$ 1,023.21 million in 2011-12, witnessing an increase of 21.6 per cent over exports in 2010-11.
- Leather and leather products exports are estimated to touch US\$ 8.5 billion by 2013-14.

LEATHER AND LEATHER  
PRODUCTS EXPORTS ARE  
ESTIMATED TO TOUCH  
US\$ 8.5 BILLION BY 2013-14

- India has an abundance of cost-competitive labour.
- The country has world-class institutional support for design and product development, and R & D.
- Institutions and individual units regularly undertake design development initiatives.

#### MAJOR TRADE FAIRS

- Global Shoes Trade Show, September 05–07, 2012, Dusseldorf, Germany
- India International Leather Fair (IILF), January 31–February 3, 2013, Chennai Trade Centre, Chennai
- International Leather Goods Fair (ILGF), March 15–17, 2013, Netaji Indoor Stadium, Kolkata

#### COUNCIL FOR LEATHER EXPORTS

The Council for Leather Exports (CLE) is an autonomous, non-profit organisation, which is entrusted with export promotion activities and the development of the Indian leather industry. About 2,400 companies that manufacture/export leather and leather products are members of the Council.

#### Contact Details

Executive Director  
Council for Leather Exports  
3rd Floor, CMDA Tower II  
Gandhi Irwin Bridge Road, Egmore  
Chennai — 600 008  
TAMIL NADU  
INDIA  
Tel.: +91-44-28594367-71 (5 lines)  
Fax: +91-44-28594363/64  
Email: cle@cleindia.com  
Website: www.leatherindia.org



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