

# TAKE THE FIRST STEP! JOIN COUNCIL FOR LEATHER EXPORTS!

# **About Council for Leather Exports**

The Council for Leather Exports (popularly known as CLE) set up in July 1984, is an autonomous non-profit Export Promotion Council (EPC) under Ministry of Commerce and Industry, Government of India. .

Council for Leather Exports is the doorway for the exporters of leather and leather products in India. CLE caters to the needs of the exporters in extending their global reach and thereby increase their exports. CLE serves as a connecting bridge between Indian leather exporters and buyers all over the world on one hand and between the Industry and the Government on the other hand.

Besides its core areas of functioning namely market development and export promotion, market research and policy & procedures, CLE has also diversified into



areas like infrastructure development and skill development too. On account of the proactive role, the Council's membership strength has been showing a positive growth since the past 4 years with the number of members increasing from 2188 in 2008-09 to 2934 in 2012-13 and has crossed the 3100 mark during 2013-14.

# Membership in Council for Leather Exports

Those persons, Hindu Undivided Family (HUF), Firms, Joint Stock Companies, Co-operative Societies or Corporations can become a Member of the Council as per Memorandum of Association & Articles of Association (AoA) of CLE.

# Registration-cum-Membership Certificate (RCMC)

The Registration-cum-Membership Certificate is issued to an exporter after he becomes the member of CLE. The validity of RCMC is five years which is subject to the renewal of membership every year.

#### Categories of Members

CLE offers two types of membership to exporters based on their previous year's export performance, as detailed below.

- 1. Associate Members FOB value of exports below Rs. 15 lakh
- 2. Ordinary Members FOB value of exports above Rs. 15 lakh



<sup>\*</sup> membership strength for 2013-14 as on January 2014

# Benefits of becoming a Member in CLE

# Schemes for which membership of CLE is required

# Marketing Development Assistance

- CLE is undertaking aggressive marketing campaign by organizing India Pavilions in major leather & leather product fairs/exhibitions held across the world and also by conducting India Leather Shows/ Buyer Seller Meets in major importing countries as well as potential markets.
- Exporters who participate in CLE organized events under Marketing Development
  Assistance (MDA) can get reimbursement of part of their expenditure. The reimbursement is available to Individual Exporter/ Companies with F0B value of export
  from Rs.3 lakhs and upto Rs.30 crore per annum who are participating in CLE led
  trade delegations / BSMs / Fairs / Exhibitions abroad to explore new markets for
  export of their specific product(s) and commodities from India.
- This will be subject to the conditions that exporter is having complete 12 months
   Membership in CLE and filing of returns (Monthly Export Data) with concerned
   EPC / organization regularly.
- Assistance would be permissible on travel expenses by air, in economy excursion class fare and / or charges of the built up furnished stall in Overseas Trade Fairs / Exhibitions where national participation is organized by the Council subject to a ceiling of Rs 2,00,000/- for General areas and Rs 2,50,000/- for FOCUS LAC. For Buyer Seller Meets organized by the Council, the assistance on air fare will be Rs.70,000/- for General Areas and Rs.1,00,000/- for FOCUS LAC. A member can avail the MDA assistance for a total of 4 events in a year (2 in General Areas and 2 in any of the areas namely FOCUS LAC, FOCUS AFRICA, FOCUS CIS and FOCUS ASEAN +2.)
- Exporting companies with an f.o.b value of exports from Rs. 3 lakhs and upto Rs.30 crore in the preceding year will be eligible for MDA assistance.
- The Council for Leather Exports also organizes events namely India Leather Shows abroad and Reverse Buyer Seller Meets in India besides overseas fair participations with assistance under Market Access Initiative Scheme (MAIS) with subsidized participation fee.

# 3% Duty Free Import Scheme (DFIS)

The DFIS scheme allows duty free import of notified eligible inputs to an extent of 3% of FOB value of export realization (2% of FOB value of export realization in respect of lining and interlining materials for leather garments exporters) for certain notified product segments.

The 3% DFIS Scheme is available for manufacturer-exporters of leather garments and to merchant-exporters of Leather Garments tied up with supporting manufacturer. In case of footwear and other leather products, the DFIS Scheme is available only for manufacturer-exporters only

Only those exporters who are registered as members with CLE are eligible for availing the DFIS. The eligible exporters should have valid RCMC and they should be on the membership roll of the Council.

The Council for Leather Exports is issuing necessary certificates namely Export Performance Certificate (EPC) and Import Certificates (IC) to eligible members in terms of Sl.Nos.282, 283 and 259 read with Condition No.24, 27 and 24 respectively of the Customs Notification No.12/2012 dated 17.3.2012 under the Duty Free Import Scheme

The list of eligible inputs/embellishments notified for import, eligibility conditions, operative guidelines including issue of Export Performance Certificate and Import Certificate and payment of service charges for availing DFIS are available at www.leatherindia.org

# Schemes implemented under Foreign Trade under Foreign Trade Policy

#### a. Focus Product Scheme (FPS)

Under Focus Product Scheme, duty credit scrips are issued by the DGFT to eligible exporters, which may be used for import of allowed inputs or goods including capital goods. These Duty Credit Scrips can also be utilized for payment of duty against imports under Export Promotion Capital Goods Scheme (EPCG) provided the item is importable against the scrip

Under Focus Product Scheme (FPS), certain leather products & footwear notified under Appendix 37 D of Handbook of Procedures – Vol. 1 are eligible for 4% Duty Credit Scrip. FPS is also available to the Finished Leather wherein 2% Duty Credit Scrip is provided.

Gloves, Mittens and Mitts, specially designed for use in Sports will be eligible for higher duty credit scrip of 5% under FPS.

# b. Focus Market Scheme (FMS)

The Focus Market Scheme is a market centric scheme. Under FMS, 3% Duty Credit Scrip is allowed for exports to notified countries in Latin American, African and Commonwealth of Independent States (CIS), Eastern Europe and Asia-Oceania regions.

The Objective of Focus Market Scheme is to offset high freight cost and other externalities to select international markets with a view to enhance India's export competitiveness in these countries

#### c. Special Focus Market Scheme

Special Focus Market Scheme will provide additional @1% duty credit scrip from the existing Focus Market Scheme when exports are made to notified countries in Latin American, African and CIS regions notified. The total duty credit scrip applicable under the Special Focus Market Scheme would be 4% for exports made with effect from 1.4.2011.

#### d. Zero Duty Export Promotion Capital Goods (EPCG) Scheme

Zero duty EPCG scheme allows import of capital goods for preproduction, production and post production (including CKD/SKD thereof as well as computer software systems) at zero Customs duty, subject to an export obligation equivalent to 6 times of duty saved on capital goods imported under EPCG scheme, to be fulfilled in 6 years reckoned from Authorization issue-date. This scheme is available only to certain sectors including the leather sector. As of now, this scheme is applicable for the years 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14.

## Other Schemes

#### Service Tax Exemption

Exporter registered with Export Promotion Councils including CLE is eligible for availing Exemption of Service Tax on foreign agent commission and transport of goods.

#### Market Access Initiative (MAI) Scheme

CLE passes on the assistance provided by the Ministry of Commerce and Industry under MAIS for organizing India Leather Shows/ Participation in certain exhibitions by providing them a highly subsidized fee, which has immensely benefited the exporters, particularly in the Small Scale segment.

# Integrated Development of Leather Sector (IDLS)

Integrated Development of Leather Sector (IDLS) is a scheme for modernization and technology up gradation in all the segments of the Leather Industry, namely tanneries, footwear, footwear components, saddlery, leather goods and garments.

The financial assistance under the Scheme will be investment grant to the extent of 30% of cost of plant and machinery for SSI and 20% of cost of plant and machinery for other units (i.e. non small scale units) subject to ceiling of Rs.50 lakh for technology up gradation /modernization and/or expansion and setting up a new unit. The rate of assistance would be @ 20% for all units (both SSI and Non-SSI) above Rs.50 lakhs subject to ceiling of Rs.2 crore.

CLE is the facilitating agency for IDLS scheme.

#### General Benefits

- Free copy of CLE's monthly magazine Leather News India
- Regular updates on Drawback rates
- Regular updates on market information, trends & policy implications
- Guidance on Export policies/restrictions

## Procedure to become a Member in CLE

An applicant shall have to produce the following documents for becoming a member of the Council.

- 1. Membership application form
- Membership fee through Account Payee Cheque/DD (in favour of "COUNCIL FOR LEATHER EXPORTS)
- 3. Export Performance for the last three years duly certified by Bank / Chartered Accountant
- 4. A self certified copy of the IEC Number issued by the licensing authority concerned.
- In case of Manufacturer Exporter, a self certified copy of SSI Certificate/ Industrial Licence / IEM issued by the licensing authority

The membership fee details for both new and renewal of membership are given below.

#### NEW MEMBERSHIP FEE DETAILS

Member category based on previous year export FOB value	Entrance Fee	Membership fee	Service Tax-12.36%	Total
ASSOCIATE MEMBERS :	12341514			V383686
Below Rs.15 lakh	Rs.3500	Rs.5000	Rs.1051	Rs.9551
ORDINARY MEMBERS :			ASTRONOM STATE	SECTION S
Above Rs.15 lakhs & upto 1 crore	Rs.5000	Rs.7000	Rs.1483	Rs.13483
Above Rs. 1 crore & upto 5 crore	Rs.5000	Rs.15000	Rs.2472	Rs.22472
Above Rs. 5 crore & upto 10 crore	Rs.5000	Rs.20000	Rs.3090	Rs.28090
Above Rs. 10 crore	Rs.5000	Rs.30000	Rs.4326	Rs.39326

# RENEWAL OF MEMBERSHIP FEE DETAILS

Member category based on previous year export FOB value	Membership Renewal fee	Service Tax -12.36%	Total
ASSOCIATE MEMBERS :			
Below Rs.15 lakh	Rs.5000	Rs.618	Rs.5618
ORDINARY MEMBERS :			
Above Rs.15 lakhs & upto 1 crore	Rs.7000	Rs.865	Rs.7865
Above Rs. 1 crore & upto 5 crore	Rs.15000	Rs.1854	Rs.16854
Above Rs. 5 crore & upto 10 crore	Rs.20000	Rs.2472	Rs.22472
Above Rs. 10 crore	Rs.30000	Rs.3708	Rs.33708



# COUNCIL FOR LEATHER EXPORTS

(Sponsored by Ministry of Commerce & Industry, Govt. of India)

Head Office & Southern Region (Tamil Nadu, Karnataka, Andhra Pradesh, Kerala and Union Territory of Pondicherry)

Council for Leather Exports, 3rd Floor, CMDA Tower - II, Gandhi Irwin Bridge Road, Egmore, Chennai - 600 008. Tel: +91- 44- 28594367 (5 lines). Fax: +91-44- 28594363/64. E-Mail: cle@cleindia.com

#### Northern Region

(Delhi, Chandigarh, Rajasthan, Punjab, Haryana, Himachal Pradesh, State of Uttar Pradesh (covering the areas of Agra, Meerut, Ghaziabad, Noida) and Jammu & Kashmir)

Council for Leather Exports, 1202, New Delhi House 27, Barakhambha Road New Delhi - 110 001 Tel.: 011-23738151-52 Fax: 011-23738153

Email: cledelhi@cleindia.com

#### Central Region

(Uttar Pradesh (except Agra, Meerut, Ghaziabad, Noida), Madhya Pradesh and Bihar)

# Council for Leather Exports,

H.B.T.I. Campus (Adjacent to Central Bank of India), Nawab Ganj, Kanpur-208 002. Tel: 0512-2534198. Fax: 0512-2534197.



Eastern Region (West Bengal, Orissa, Assam and other States and Union Territories in the Eastern Region)

Council for Leather Exports,
1B, First Floor, "Duckback House",
41, Shakespeare Sarani,
Kolkata - 700 017.
Tel: +91-33-22835479/80.
Fax: +91-33-22877270.
E-Mail: cleer@cleindia.com

#### Western Region

(Maharashtra, Gujarat and Union Territory of Nagar Haveli and Goa Daman & Diu)

# Council for Leather Exports,

STAR HUB, Building 1, Unit No. 102, 1st Floor Near Hotel Hyatt Regency & ITC Maratha Sahar International Airport Road Andheri (East), Mumbai – 400099

Tel : 022 - 28392221 Fax : 022 - 67256236 E-mail : cleb@cleindia.com

#### **Agra Extension Office**

S-6, 2nd Floor, Friends Tower Block No. 41-B, Sanjay Place Agra 282 002 Tel. (0562) 2852619 Telefax: (0562) 2854053 Email: cleagra@cleindia.com

#### Jalandhar Extension Office

CLRI Extension Centre (Testing Lab) Leather Complex, Kapurthala Road Jalandhar 144 021, Punjab, India Tel: 91-181-2650967 Fax: 91-181-2650967 E-mail: clejalandhar@ymail.com

