



India International Leather Fair

January 31- February 3, 2013, Chennai Trade Centre, Chennai

- Report

India Trade Promotion Organization (ITPO) organised the India International Leather Fair (IILF) 2013, 28th in the annual series from 31st January to 3rd February 2013 at the Chennai Trade Centre. The fair was co-organized by the Council for Leather Exports (CLE) and supported by CSIR-CLRI, ISF, IFLMEA and IFCOMA.

IILF 2013 had on display the entire range of products relating to leather industry from raw material to finished products and auxiliary products such as finished leather; shoes; shoe components - uppers, soles, heels, counters, lasts; leather garments, fashion accessories, leather goods - wallets, belts, gloves, portfolios, hand bags; saddlery and harness; machinery and equipment and chemicals.

IILF has all along been a vivid presentation of the leather industry where latest expressions of the trends, styles, designs and colours in world fashion are shown. IILF 2013 witnessed the participation of 439 companies and a very interesting Trend seen was the increase in participation in the Machinery, Technology and Chemical segments. The fair had a large participation of overseas companies as well with 159 companies from 23 countries exhibiting their products. A quick Sample Survey of Exhibitor satisfaction with reference to Business done and Quality of business visitors revealed that on both parameters, IILF 2013 proved to be an excellent platform.

BIGGER & BETTER- IILF '13: Facts at a glance

Gross Area	25000 sqm plus
Exhibition Area	10,000 sqm
Number of Exhibitors	438 (Domestic- 286, Foreign- 152)
Countries participating	23 (Bangladesh, Brazil, China, Finland, France, Germany, Indonesia, Iran, Italy, Korea, Pakistan, Portugal, Saudi Arabia, Singapore, Spain, Sri Lanka, Switzerland, Taiwan (ROC), Thailand, The Netherlands, Turkey, UAE and United Kingdom)
Country Pavilions	Brazil, China, France, Germany, Italy, Pakistan, Thailand
Focus on	"Green Technology and Green Effluent Treatment Technology"

IILF goes on-line...

The unique feature of IILF 2013 was the introduction of the following facilities.

- An online system for filling in application forms.
- An Exhibitor's Centre which allowed participants to log in using their usernames and passwords
- Visitor Section that is geared towards Business Visitors

The creation of an online 'Exhibitor's Section' was meant to make the experience of being an IILF exhibitor more comfortable than ever. The said section empowers exhibitors to:

- Make catalogue entries, upload company logos and product pictures
- Send e-invites to business visitors
- Order additional goods and services
- Create 'dummy' exhibitor badges
- Register themselves for 'Visa Invitation Letters' that are required for filing Visa applications(for overseas exhibitors)

The Visitor Section enables business visitors to:

- Register themselves
- Print 'dummy' badges instantly
- Search for Exhibitors based on criteria like company, products, halls and country
- Fix appointments with exhibitors of their choice
- Access list of available hotels
- Access currency converter and know about the city's weather conditions

All the exhibitors have to fill their applications on line for 2014 edition.

Press Meet on IILF 2013

India Trade Promotion Organisation organised a Press Meet on IILF 2013 on January 30, 2013.

Smt. Rita Menon, CMD, ITPO ; Shri Rajendra K. Jalan, Chairman, CLE ; Shri Malay Srivastava, Executive Director, ITPO ; Shri R. Ramesh Kumar, Executive Director, CLE ; Shri N. Shafeeq Ahmed, Vice- Chairman, CLE ; Shri P.R.Aqeel Ahmed, Regional Chairman (SR), CLE and Shri Dale Singh, General Manager, ITPO participated in the Press Meet.

Giving the introductory remarks, Smt. Rita Menon, CMD, ITPO stated that ITPO is delighted with the tremendous response for participation in IILF 2013. Stating that IILF 2013 is a technology driven fair, Smt. Menon mentioned that the fair will witness participation of more than 20,000 business visitors. Stating that the system of online booking of space, payment and registration of visitors has worked very well, Smt. Menon added that about 800 visitors from 32 countries including countries like Peru, Russia, Italy, Germany, Egypt, Mexico, USA, Bolivia etc., had made online registration. The online registration also helps in getting a database of exhibitors and buyers who could be nurtured in future as well by responding to their queries.

As far as the exhibitors are concerned, the 2013 edition has first time participations from countries like Indonesia, Iran, Portugal etc., besides regular participation from countries like Bangladesh, Brazil, China, Germany, Korea, Saudi

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Arabia, Taiwan, Netherlands, Turkey, UAE etc., There has been a significant increase in the number of exhibitors from machinery and chemicals sectors in the 2013 edition when compared to last year. As far as exhibition space is concerned, the optimum space availability at the Chennai Trade Centre is being utilized for this edition. Smt. Menon also stated that as the leather industry has good growth potential, the Government is giving prime focus to the sector.

Shri Rajendra K. Jalan, Chairman, CLE spoke about the performance and issues concerning the leather industry. Shri Jalan stated that the industry was able to achieve an export growth of more than 22% during 2011-12 with exports reaching an all time high value of USD 4.86 billion. However, during the current year, the exports declined during the first six months on account of the decline in buying power of the consumers due to the recession in the major market of Europe but have since then picked on account of the strong winter sales. Hence, the industry hopes to end-up 2012-13 with a growth of 2% and thus cross the US \$ 5 billion mark in exports. Stating that the leather industry was affected by the recession in the past also but had shown resilience to bounce back, Shri Jalan stated that the industry will strive to achieve the ambitious export target of US \$ 14 billion by 2016-17. However, in order to achieve this, we have to invest heavily in three areas namely infrastructure, people (skill development) and technology. Stating that the Government too is seized of these key areas, Shri Jalan stated that the Government has given in-principle approval for establishment of 6 Mega Leather Clusters (MLCs) across the country for which the Government has already fixed an outlay of Rs.600 crore. Shri Jalan added that the Special Purpose Vehicles are required to submit Detailed Project Reports (DPR) on the MLCs by 31st March 2013. On the skill development front, the Council for Leather Exports has taken a major initiative for training about 2 million people by 2020 by forming the Leather Sector Skill Council under the aegis of National Skill Development Corporation (NSDC). On the technology front too, schemes like Integrated Development of Leather Sector (IDLS) has helped the industry to achieve capacity modernization and technological upgradation. Highlighting the huge potential in the domestic market, Shri Jalan added that the per capita consumption of footwear alone had gone-up from 1.01 pairs in 2001 to about 1.80 pairs now which clearly shows the growing market in India and hence with a population of 1.2 billion, India surely offers more opportunities. Shri Jalan added that CLE has also taken initiative to develop trade and co-operation among countries in the South Asian region through formation of Leather Industries Association of South Asia (LIASA) in September 2012 which the objective of adopting common strategies not only for selling products but also for sourcing raw materials.

Shri P.R. Aqeel Ahmed, Regional Chairman (SR), CLE spoke about the Mega Leather Cluster which is proposed to be set-up at Perambalur in Thiruchirapalli District in Tamil Nadu. Shri Ahmed stated that the industry has already identified 160 acres of dry land for setting-up the MLC which will only have production units of value added products like footwear, leather goods etc., and there will not be any tanning units in the MLC. Shri Ahmed further added that the industry has already formed the Special Purpose Vehicle (SPV) and the proposed MLC will provide employment opportunities to the unskilled people in the

region, particularly women. Shri Ahmed added that the Skill Mapping in the region has already been done through IL & FS. Shri Aqeel Ahmed also briefly explained about the Reverse Buyer Seller Meet event to be organised by CLE on February 1, 2013 by inviting overseas buyers for business interactions with Indian exporters.

Responding to a query as to why there is a delay in implementing the MLC scheme, Shri Rajendra K. Jalan, Chairman, CLE stated that though the scheme was notified in March 2012, the industry had the task of identifying proper land, which was a major task. Now, the land for the proposed 6 MLCs have been identified with the co-operation and support of the respective State Governments. Answering another query as to whether the industry is confident of achieving the export target of US\$ 14 billion, Shri Jalan stated that the industry will strive to achieve this and this is why major initiatives on infrastructure, skill development and technology are proposed. On a query relating to promotion of Indian brands, Shri Jalan stated that at present about 3-4 companies have promoted their own brands but as about 85% of the industry is concentrated in the MSME segment, the industry does not have huge financial resources to either acquire or promote a brand and this is why the industry requested the Government to provide financial support to the extent of 2% of export turnover for promoting brands. On the market diversification efforts, Shri Jalan stated that the industry is looking at penetrating the virgin markets in Latin America, South East Asia and Africa and even China is now becoming a major market for value added products.

Shri Ramesh Kumar, Executive Director, CLE also highlighted the huge domestic market in India by citing an example as to how 95% of footwear produced in India is consumed in domestic market while only 5% is exported. Shri Kumar added that various initiatives of the Government of India including the policy of 100% FDI allowed in leather industry, the huge raw material base, the proposed infrastructure and skill development projects etc., have all made India a vital destination not only for sourcing but also for selling. Shri Kumar stated that the National Manufacturing Policy (NMP) of the Government of India aims to increase the share of manufacturing segment in GDP from 16% to 25%. As far as skill development is concerned, the Leather Sector Skill Council aims to promote training at the factories itself by providing soft/hard skills on shop floor level operations.

Responding to a query as to why the Indian exporters are not looking more at the domestic market, Shri Dalel Singh, General Manager, ITPO explained that perhaps the huge cost involved in retail trade including the infrastructure, promotion etc., is deterring the exporters in entering the domestic market.

On the issue of power cuts, Shri N. Shafeeq Ahmed, Vice-Chairman, CLE stated that there is a 30% power cut for areas other than Chennai, in Tamil Nadu and the industry is able to reduce this shortage of power by 10-15% through Captive Power Generation using Gensets but on an average 25% of the production has declined on account of power cuts.

Inauguration of IILF 2013

The 28th India International Leather Fair 2013 was inaugurated by Dr D Purandeswari, Hon'ble Minister of



State for Commerce and Industry, Government of India in the august presence of Dr S Jagathrakshakan, Hon'ble Minister of State for Commerce and Industry, Government of India, Mrs Rita Menon, Chairperson and Managing Director, ITPO, Mr Malay Srivastava, Executive Director, ITPO, Mr Rajendra K Jalan, Chairman, Council for Leather Exports, Mr N Shafeeq Ahmed, Vice Chairman, Council for Leather Exports and Mr PR Aqeel Ahmed, Regional Chairman (SR), Council for Leather Exports by lighting the traditional lamp.

Mr Malay Srivastava, Executive Director, ITPO in his welcome address said that IILF was a premier fair and was a Grand Show in a World class ambience. He said that the fair had come a long way since the first edition organized in 1986 and had shown a constant uptrend in display area, Product Profile and number of participants. He said that this year the current edition of the fair had shown increase in display area and number of exhibitors, despite the global

economic crisis, surpassing all records. The 2013 edition will also witness enhanced participation from Machinery and the Chemicals sector. He also touched on the Theme for the fair as "Back to Reality" which was showcasing of the Spring Summer 2014 Trends. He stated that IILF projects the capabilities of Indian leather industry and expressed the hope that this fair would play a vital role in helping the industry grow further and wished all the participants a successful fair.

Mrs Rita Menon, CMD, ITPO stated that IILF was a premier institutionalized event of ITPO and is the largest fair in the South East Asian region. While welcoming the participants, she said that ITPO was encouraging the adoption of Eco-friendly and Green Technologies. She also informed that TNTPO and ITPO would be going for a major expansion in the fair space. She also highlighted that IILF 2013 was a fair of many firsts and was completely online.



A view of dignitaries on dais at the inaugural function of IILF 2013



Mr Malay Srivastava, Executive Director, ITPO and Mrs Rita Menon, CMD, ITPO at the inaugural session of IILF 2013

Mr Rajendra K. Jalan, Chairman, Council for Leather Exports in his address warmly welcomed all and said that this fair was the Best Fair in the region. Touching upon the status of the Leather industry, he said that many transformations had taken place and the industry had come to be recognized as a leading supplier of quality and value added leather products. He said that “ if you focus on the results then you will never change but if you focus on change you will get the results” and this is what the Leather industry was aiming at.



Shri R.K.Jalan, Chairman, CLE (2nd from left) along with Dr. S. Jagathrakshakan, Hon'ble Union Minister of State for Commerce & Industry at the inaugural function. Shri N. Shafeeq Ahmed, Vice- Chairman, CLE and Shri P.R.Aqeel Ahmed, Regional Chairman (SR), CLE are also seen.

Mr. Jalan said that the industry needed to significantly enhance its Capacities and thanked the Government for their support by way of the IDLS Scheme and the Mega Leather Cluster development. He also highlighted the formation of the Leather Sector Skill Council to overcome the shortage of skilled manpower in the industry. In Conclusion, he thanked the Government for their support especially in the area of Infrastructure development. **(The full text of Chairman's speech is given after the report)**

Dr S Jagathrakshakan, Hon'ble Minister of State for Commerce and Industry, Government of India expressed his happiness at being at IILF 2013 and said that he was proud of the fair and the venue. He lauded the large scale employment being provided by this industry and hoped that the industry would be able to double their employability in the coming years. He also praised the fact that the unit value realization of Indian Leather was twice

the global average. He outlined the various initiatives of his ministry in supporting the Leather Industry and flagged the announcement of Mega Leather Cluster Scheme as an important endeavour of his ministry.



Dr S Jagathrakshakan, Hon'ble Minister of State for Commerce and Industry, Government of India delivering his address at IILF 2013 inauguration

Dr S Jagathrakshakan further highlighted that the Government is very keen on industrial development of the country and an Industrial Corridor along Delhi – Mumbai highway is already being developed and similar corridor along Bangalore – Chennai highway is also being proposed. The Hon'ble Minister also stressed the importance of skill development in the leather industry and stated that training centres needs to be established in the leather clusters.

Dr D Purandeswari, Hon'ble Minister of State for Commerce and Industry, Government of India said that she was proud to be a part of this fair and said that this fair was commensurate with the growth of the Indian Leather Sector. She congratulated ITPO for getting such wide participation across all industry segments for this fair which not only promoted B2B interactions but also the technology. The Hon'ble Minister said that Leather was part of our civilization and hence its importance cannot be undermined. Highlighting the status of the leather industry as being one among 10 largest foreign exchange earners, employer of 2.5 million people including large percentage of women, the Minister stated that the industry is also facing several challenges which includes lack of warehousing, better environment management and relatively smaller share of 3% in the global leather trade.



Dr D Purandeswari, Hon'ble Minister of State for Commerce and Industry, Government of India speaking at the inaugural function of IILF 2013



A view of attendees in the inaugural session

The Hon'ble Minister stated that structural changes took place during the 1970s and 1980s when the production base in leather industry shifted from developed to the developing countries. Now, the situation is that 50 developed countries import 85% of their leather products from 15 countries. Also, 70% of footwear export is now from developing countries.

The Hon'ble Minister concluded her speech by assuring the continued support of the Government to the industry.

Thereafter, the Hon'ble Minister Dr. Purandeswari distributed the Export awards of the Council for Leather Exports to the winners.

DISTRIBUTION OF EXPORT AWARDS



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After the inaugural function, the Hon'ble Ministers visited the fair and interacted with the exhibitors



RELEASE OF CLE PUBLICATIONS

During the inaugural function, Dr D Purandeswari, Hon'ble Minister of State for Commerce and Industry and Dr. S. Jagathrakshakan, Hon'ble Minister of State for Commerce and Industry released two publications of the Council for Leather Exports namely Directory of Members of CLE 2013 and Facts and Figures of Exports of Leather and Leather Products for the year 2011-12. The brief details of these publications are given below.

Members Directory 2013: The 16th edition of Members Directory-2013 contains updated information about the profile of members of the Council, region-wise, product-wise addresses details of 2800 manufacturer and merchant exporters registered with the Council spread across the country. The first copies was received by Shri Tapan Nandi, Regional Chairman (East), CLE and Shri Naresh Bhasin, Regional Chairman (West), CLE



Shri Tapan Nandi, Regional Chairman (ER) and Shri Naresh Bhasin, Regional Chairman (WR) receiving the first copies of the Members Director 2013 from Dr. Purandeswari, Hon'ble Union Minister of State for Commerce and Industry

Facts & Figures Booklet: The 14th edition of "Facts & Figures" contains export data of leather & leather products on region-wise, country-wise and cluster wise basis pertaining to 2011-12. This booklet is a comprehensive compilation of the trade data in terms of volume and export realization of Member-exporters who are registered with the Council. The first copy was received by Shri Taj Alam, Regional Chairman (Central), CLE and Shri Subash Kapoor, Regional Chairman (North), CLE



Shri Taj Alam, Regional Chairman (Central) (First Photo) Shri Subash Kapoor, Regional Chairman (North), CLE receiving the first copies of the Facts & Figures book from the Hon'ble Minister.

Shri N. Shafeeq Ahmed, Vice- Chairman, CLE proposed the Vote of Thanks. Shri Ahmed expressed profound thanks to Dr. D. Purandeswari and Dr. S. Jagathrakshakan, Hon'ble Union Ministers of State for Commerce and Industry for participating in the inaugural function of India International Leather Fair 2013 and for presenting the export awards of CLE. Shri Ahmed stated that the Ministry of Commerce and Industry has a special place in the hearts of every exporter in the leather industry, not only because it is the parent Ministry of the Council for Leather Exports but also because it is the Ministry which has played a crucial role in shaping-up the leather industry as a major force in the international area, through implementation of sustained long-term and short-term programmes.



Shri N. Shafeeq Ahmed, Vice- Chairman, CLE delivering the Vote of Thanks

Speaking about IILF, Shri Shafeeq Ahmed stated that though IILF is basically a technology fair, the fair aptly demonstrates the market demand for machinery, chemicals, raw materials and accessories in India, thereby indirectly indicating the growth of the leather industry as well. Thus, in tune with the growth of the Indian leather industry, IILF too has grown substantially in the last one decade. Shri Ahmed also thanked Ministry of Commerce and Industry, Ministry of MSME, Ministry of Agriculture and Ministry of Environment & Forests, ITPO and Press & Media for the continuous encouragement and support given to the leather industry. Shri Ahmed congratulated the export award winners for their commendable export performance during 2011-12 and also welcomed overseas guests including buyers and journalists to the fair.

Release of IILF 2013 Daily Happenings

A joint initiative of ITPO – CLE – CSIR-CLRI the IILF Daily Happenings is a liaison with the Fair. It captures the entire essence of the fair in the most comprehensive manner with crisp presentations, advertisements and advertorials. The Daily Newsletter 'IILF HAPPENINGS' is brought out on all days of the Fair. Launched in 2003 for the first time, the daily newsletter has been successful in reaching out to the discerning - the exhibitors, the visitors, the foreign delegates - to THE GLOBAL LEATHER FRATERNITY. It reaches out to all participants and visitors directly and the response we have got over the years has been overwhelming. This year too, the IILF 2013 Daily Happenings was brought out on all days of the Fair.



Release of IILF 2013 Happenings

IILF 2013 Daily Happenings was launched on 31st January 2013 by Mrs Rita Menon, CMD, ITPO and Shri Rajendra K. Jalan, Chairman, Council for Leather Exports (CLE) in the distinguished presence of an array of the luminaries of the Indian Leather Sector which included Shri N Shafeeq Ahmed, Vice Chairman, CLE, Shri M Rafeeqe Ahmed, President, AISHTMA, , ShriHabib Hussain, Chairman, Leather Sector Skill Council, Shri Ramesh Kumar, IAS, Executive Director, CLE, Shri PR Aqeel Ahmed, Regional Chairman (SR), CLE, Shri KR Vijayan, President, Indian Shoe Federation, Prof. Pradyumna Vyas, Director, National Institute of Design, Ahmedabad, ShriSubhashKapoor, Regional Chairman (NR), CLE, ShriTajAlam, Regional Chairman (ER), CLE and ShriNareshBhasin, Regional Chairman (WR), CLE.

Theme Pavilion at IILF 2013



"Back to Reality" – the Theme pavilion at the 28th India International Leather Fair (IILF) 2013 was a joint endeavour of ITPO, CLE, and CSIR-CLRI and supported by the Indian Leather Sector and showcased Trends for the Spring Summer 2014 season.

The three groups of the MODEUROP colours for Spring Summer 2014 season that reflected the most important colour inspirations were thematically displayed.

1. REALITY: 'Focus on what matters' sums this one up well. It was all about clear statements with classic elements for an urban look. The fashion look was controlled, sober, strict and sophisticated.
2. ART: Art and colour belong together and art knows no bounds. Art is imagination. Art is like 'a circus of cultures'. And, importantly: the more intense the colours, the more striking the art. For this reason 'Art' stood out for an unbelievable blaze of colour – a mix of delicate, icy

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or metallic pastels, and vibrant, intense shades of colour. Here too, black and white provided a certain balance.

3. **WORLD:** People are seeking for balance and harmony. That is why, alongside the classic (Reality) and imaginative (Art) theme, the fashion picture was rounded out with a natural look. Think of the global traveller on a trip round the world that takes him through diverse landscapes, climate zones and cultures.



The THEME PAVILION radiated the dexterity of the Indian Expertise in the Design and Development of exquisite and high Quality LEATHERWARE from Finished Leather through to LEATHER PRODUCTS. Jostling for Space in this arena were the "BEST of INDIAN MERCHANDIZE" from the crème de la crème manufacturers who cater to the world's leading brands. The display at the THEME PAVILION was a feast for the Leather Connoisseur and an eye-opener for the discerning international buyers – a gateway to IILF 2013, Chennai.



The Theme Pavilion received the distinguished Union Ministers Dr D Purandeswari, Hon'ble Union Minister of State for Commerce and Industry and Shri Dr. S. Jagathrakshakan, Hon'ble Union Minister of State for Commerce and Industry who were effusive in their praise for the wealth of information and products at the pavilion. The Hon'ble Union Ministers also released the "Poster" which detailed the Rationale behind the Colour Groups and carried the contact details of our "Partners-in-progress."

The Ethiopian Delegation led by His Excellency Tadesse Haile, State Minister, Ministry of Industries, Government of Ethiopia and His Excellency Mr. Wondwossen Kiflu, State Minister, Ministry of Education, Government of Ethiopia, Mr Mebrahtu Meles, ECBP, Ethiopia and comprising Mr Wondu Legesse, Director General, Leather Industry Development Institute, Ethiopia and his team also visited the fair and the Theme Pavilion.

The Thematic arrangement of the Products as well as the tastefully set-up pavilion was indeed awe-inspiring and drew unanimous praise and appreciation from all visitors to the pavilion. The multitude of queries on Design, Styling, Leather Colours, Textures, Trends and Fashion Intelligence and forecasts were satisfactorily answered by team CSIR-CLRI present at the pavilion.