No. CLE-HO/POL/GST/17-18

Nov. 10, 2017

Members of the Council

**Sub :  Decisions taken in GST Council meeting held today (Nov. 10, 2017) – GST rates reduced for several leather industry related items.**

Dear Member

We are pleased to inform you that in the 23rd GST Council meeting held in Guwahati today, the GST rates for several leather industry related items have been reduced as detailed below.  These reductions will come into effect from Nov. 15, 2017. Detailed notifications on the GST rate reduction are awaited.

**Items for which GST rate has been reduced from 28% to 18%**

        4202 – Travel Goods, Handbags, Wallets etc.,

        4203 - Articles of apparel and clothing accessories, of leather or of composition leather

       3402   Organic surface-active agents (other than soap); surface-active preparations, washing preparations (including auxiliary washing preparations) and cleaning preparations, whether or not containing soap, other than those of heading 3401

     3403 Lubricating preparations and preparations of a kind used for the oil or grease treatment of textile materials, leather, furskins or other materials, but excluding preparations containing, as basic constituents, 70% or more by weight of petroleum oils or of oils obtained from bituminous minerals

       3405 Polishes and creams, for footwear

     392690 - Lasts, with or without steel hinges ; EVA and grape sheets for soles and heels; welts and Rings, buckles, tacks, washers and other decorative fittings made of plastic used as trimmings and embellishments for leather products; patterns for leather foot wear, leather garments and leather goods , will also be reduced from 28% to 18%

        The Press Release issued by the Government states that GST for items namely guts, furskin, artificial fur and other articles such as saddlery and harness for any animal has also been reduced from 28% to 18%. However, detailed notification is awaited.

**Items for which GST rate has been reduced from 12% to 5%**

        Finished leather, chamois and composition leather

Detailed notifications on the above GST rate reductions are expected to be issued shortly.

Your Council has been continuously taking-up various GST requests of the leather industry with the Government, including  meetings with Hon'ble Union Minister of Finance, Hon'ble Union Minister for Commerce and Industry, Commerce Secretary, Revenue Secretary and Joint Secretary, Dept. of Commerce and concerned Ministries in New Delhi.  We will continue to take-up our other GST requests with  the concerned Departments.

I wholeheartedly thank the Government of India for this significant support through reduction of GST rates, which will be of great help in achieving positive growth in leather industry.

With kind regards

**Mukhtarul Amin**

Chairman

COUNCIL FOR LEATHER EXPORTS