

## **I. INDIAN LEATHER INDUSTRY – OVERVIEW, EXPORT PERFORMANCE & PROSPECTS**

- The Indian Leather, Leather Products and Footwear Industry holds a prominent place in the Indian economy. This sector is known for its consistency in high export earnings and it is among the top ten foreign exchange earners for the Country.
- The export of footwear, leather and leather products from India was to the tune of US \$ 4.69 billion during 2023-24.
- The industry is bestowed with an affluence of raw materials as India is endowed with 20% of world cattle & buffalo and 11% of world goat & sheep population. Added to this are the strengths of skilled manpower, innovative technology, increasing industry compliance to international environmental standards, and the dedicated support of the allied industries.
- The leather industry is an employment intensive sector, providing job to about 4.42 million people, mostly from the weaker sections of the society. Women employment is predominant in leather products sector with about 40% share.
- India is the second largest exporter of leather garments, third largest exporter of Saddlery & Harness and 4<sup>th</sup> largest exporter of Leather Goods in the world.
- The major production centers for footwear, leather and leather products in India are located in the States of **Tamil Nadu** - Chennai, Ambur, Ranipet, Vaniyambadi, Vellore, Pernambut, Trichy, Dindigul and Erode; **West Bengal** – Kolkata; **Uttar Pradesh** – Kanpur, Agra, Noida, Saharanpur; **Maharashtra** – Mumbai; **Punjab** – Jalandhar; **Karnataka** – Bengaluru; **Telengana** Hyderabad; **Haryana** - Ambala, Gurgaon, Panchkula, Karnal and Faridabad; **Delhi**; **Madhya Pradesh** – Dewas; **Kerala** – Kozhikode and Ernakulam / Cochin; **Rajasthan**; Jaipur; **Jammu & Kashmir**; Srinagar.

### **Strengths of Indian leather sector**

- Own raw material source – About 3 billion sq ft of leather produced annually
- Some varieties of goat / calf / sheep skins command premium position
- Strong and eco-sustainable tanning base
- Modernized manufacturing units
- Trained / skilled manpower at competitive wage levels

- World-class institutional support for Design & Product Development, HRD and R & D.
- Presence of support industries like leather chemicals and finishing auxiliaries
- Presence in major markets – Long Europe experience
- Strategic location in the Asian landmass

### **Emerging strengths**

- Design development initiatives by institutions and individuals
- Continuous modernization and technology up-gradation
- Economic size of manufacturing units
- Constant human resource development programme to enhance productivity
- Increasing use of quality components
- Shorter prototype development time
- Delivery compliance
- Growing domestic market for footwear and leather articles

### **Highlights of Product Segments of Indian Leather and Footwear Industry**

#### **Tanning Sector**

- Annual availability of leathers in India is about 3 billion sq.ft.
- India accounts for 13% of world leather production of leathers.
- Indian leather trends/colors are continuously being selected at the MODEUROPE Congress.

#### **Footwear Sector**

- India is Second largest footwear producer after China, with Annual Production of 2.58 billion pairs (2018).
- India is also the second largest consumer of footwear after China, with a consumption of 2.60 billion pairs.
- Footwear (leather and non-leather) export accounts for about 53% share in Indian leather and footwear industry's export (2023-24).

#### **Leather Garments Sector**

- India is the second largest global exporter of Leather Garments.
- Accounts for 7% share of India's total export from leather sector (2023-24).

#### **Leather Goods & Accessories Sector including Saddlery & Harness**

- India is the fifth largest global exporter of Leather Goods & Accessories and third largest exporter of Saddlery and Harness items.
- Accounts for 26% share of India's total export from leather sector (2023-24).

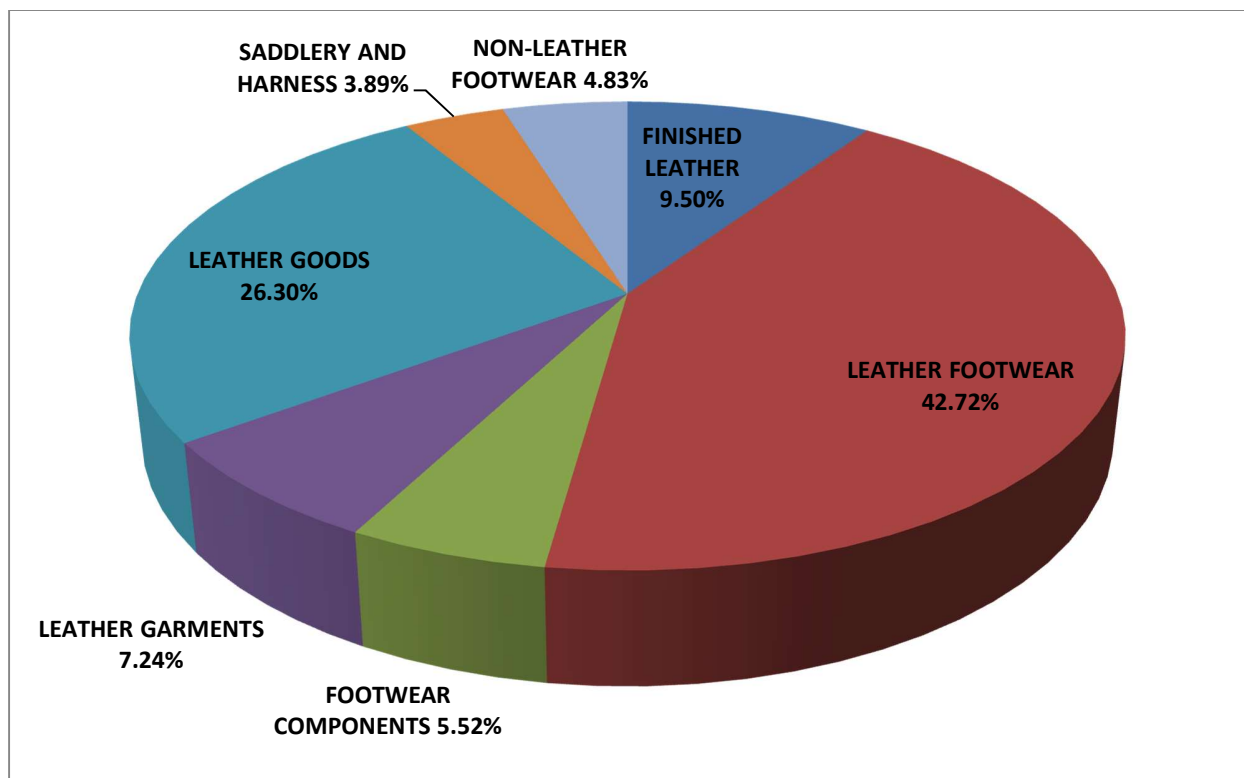
**INDIA'S EXPORT OF LEATHER & LEATHER PRODUCTS 2023-24 vis-a-vis 2022-23**

(Value in Million US\$)

PRODUCT	APR - MAR	APR - MAR	% VARIATION	% Share	% Share
	2022-23	2023-24		2022-23	2023-24
FINISHED LEATHER	430.93	445.41	3.36%	8.19%	9.50%
LEATHER FOOTWEAR	2377.23	2002.38	-15.77%	45.20%	42.72%
FOOTWEAR COMPONENTS	289.81	258.92	-10.66%	5.51%	5.52%
LEATHER GARMENTS	353.07	339.47	-3.85%	6.71%	7.24%
LEATHER GOODS	1301.34	1232.84	-5.26%	24.74%	26.30%
SADDLERY AND HARNESS	222.17	182.17	-18.00%	4.22%	3.89%
NON-LEATHER FOOTWEAR	284.98	226.56	-20.50%	5.42%	4.83%
<b>TOTAL</b>	<b>5259.53</b>	<b>4687.75</b>	<b>-10.87%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: DGCI&S

**% SHARE OF LEATHER & LEATHER PRODUCTS FY 2023-24**



**ANALYSIS – COUNTRY WISE EXPORT PERFORMANCE OF LEATHER, LEATHER PRODUCTS&FOOTWEAR  
FROM INDIA DURING APRIL-MARCH 2023-24 VIS-A-VIS APRIL-MARCH 2022-23**

Value in Million US \$

COUNTRY	TOTAL			Share in total export 2022-23	Share in total export 2023-24
	APR-MAR 2022-23	APR-MAR 2023-24	% Change 2023-24		
U.S.A.	1173.08	896.63	-23.57%	22.30%	19.13%
GERMANY	579.33	530.12	-8.49%	11.01%	11.31%
U.K.	481.55	400.77	-16.77%	9.16%	8.55%
ITALY	354.82	319.62	-9.92%	6.75%	6.82%
FRANCE	281.28	247.09	-12.16%	5.35%	5.27%
SPAIN	228.54	236.22	3.36%	4.35%	5.04%
U.A.E.	123.87	113.80	-8.13%	2.36%	2.43%
NETHERLANDS	219.80	189.38	-13.84%	4.18%	4.04%
HONG KONG	57.52	66.29	15.25%	1.09%	1.41%
CHINA	147.24	142.37	-3.31%	2.80%	3.04%
POLAND	81.48	104.61	28.39%	1.55%	2.23%
BELGIUM	135.79	164.08	20.83%	2.58%	3.50%
SOMALIA	41.97	30.00	-28.52%	0.80%	0.64%
VIETNAM	64.78	81.74	26.18%	1.23%	1.74%
AUSTRALIA	94.01	78.72	-16.26%	1.79%	1.68%
PORTUGAL	71.37	51.17	-28.30%	1.36%	1.09%
DENMARK	81.52	50.52	-38.03%	1.55%	1.08%
KOREA REP.	46.74	38.89	-16.80%	0.89%	0.83%
JAPAN	77.88	74.73	-4.04%	1.48%	1.59%
RUSSIA	44.84	62.48	39.34%	0.85%	1.33%
S. AFRICA	36.76	33.97	-7.59%	0.70%	0.72%
CHILE	41.39	37.53	-9.33%	0.79%	0.80%
MALAYSIA	29.86	34.96	17.08%	0.57%	0.75%
AUSTRIA	55.65	46.49	-16.46%	1.06%	0.99%
CANADA	70.34	52.84	-24.88%	1.34%	1.13%
SWEDEN	27.04	24.87	-8.03%	0.51%	0.53%
NIGERIA	15.05	11.37	-24.45%	0.29%	0.24%
INDONESIA	23.47	24.57	4.69%	0.45%	0.52%
MEXICO	37.85	39.55	4.49%	0.72%	0.84%
SAUDI ARABIA	43.36	46.65	7.59%	0.82%	1.00%
KENYA	10.34	10.94	5.80%	0.20%	0.23%
SWITZERLAND	22.54	16.76	-25.64%	0.43%	0.36%
SLOVAK REP	19.26	8.22	-57.32%	0.37%	0.18%

HUNGARY	11.42	9.96	-12.78%	0.22%	0.21%
THAILAND	16.39	18.83	14.89%	0.31%	0.40%
BANGLADESH	17.54	17.32	-1.25%	0.33%	0.37%
FINLAND	18.76	13.37	-28.73%	0.36%	0.29%
TURKEY	24.29	24.10	-0.78%	0.46%	0.51%
ISRAEL	17.55	17.46	-0.51%	0.33%	0.37%
CAMBODIA	8.41	10.48	24.61%	0.16%	0.22%
CZECH REPUBLIC	11.17	13.05	16.83%	0.21%	0.28%
GREECE	9.77	11.18	14.43%	0.19%	0.24%
NEW ZEALAND	9.49	7.14	-24.76%	0.18%	0.15%
OMAN	9.63	8.52	-11.53%	0.18%	0.18%
SRI LANKA DES	6.66	9.57	43.69%	0.13%	0.20%
SINGAPORE	10.93	13.09	19.76%	0.21%	0.28%
SUDAN	2.89	0.55	-80.97%	0.05%	0.01%
TAIWAN	6.67	6.33	-5.10%	0.13%	0.14%
NORWAY	7.71	7.68	-0.39%	0.15%	0.16%
DJIBOUTI	2.32	3.13	34.91%	0.04%	0.07%
OTHERS	247.58	228.04	-7.89%	4.71%	4.86%
<b>TOTAL</b>	<b>5259.53</b>	<b>4687.75</b>	<b>-10.87%</b>	<b>100.00%</b>	<b>100.00%</b>

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The **Top 15 countries** together account about 77.78% of India's total leather & leather products export during April-March 2023-24 with export value of US \$ 3646.17 Mn.

#### Major Markets:

- The major markets for Indian Leather & Leather Products are USA with a share of 19.13%, Germany 11.31%, UK 8.55%, Italy 6.82%, France 5.27%, Spain 5.04%, Netherlands 4.04%, Belgium 3.50%, China 3.04%, UAE 2.43%, Poland 2.23%, and Vietnam 1.74%.
- The **Top 15 countries** together account about 77.78% of India's total leather, leather products & footwear export during April-March 2023-24 with export value of US \$ 3646.17 Mn.