



COUNCIL FOR LEATHER EXPORTS

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 \$ 4.87 billion during 2021-22.
- 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 4th 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 52% share in Indian leather and footwear industry's export (2021-22).

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 (2021-22).

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 32% share of India's total export from leather sector (2021-22).

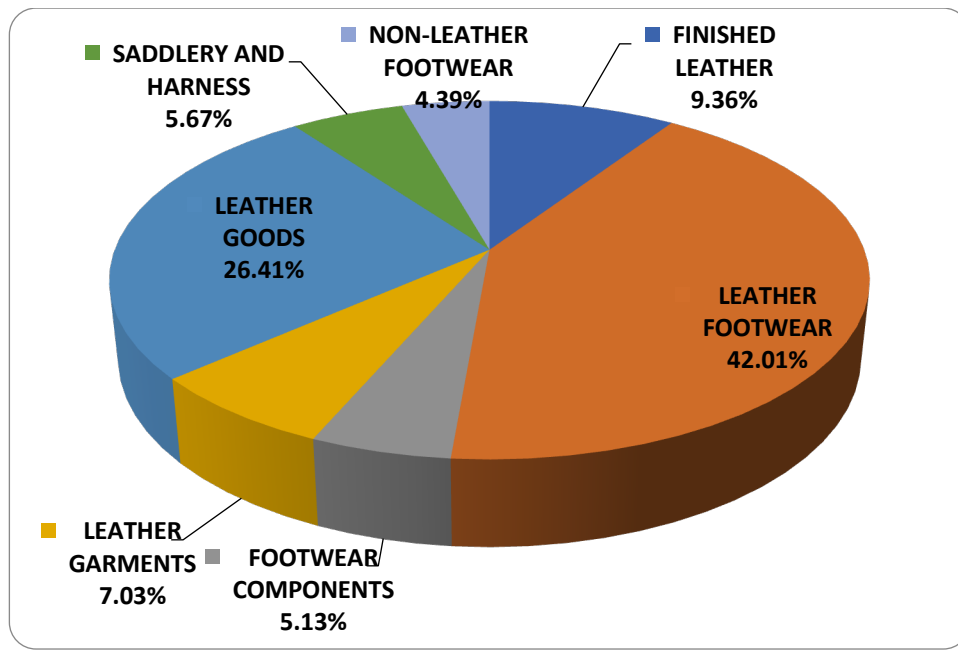
INDIA'S EXPORT OF LEATHER & LEATHER PRODUCTS 2021-22 vis-a-vis 2020-21

(Value in Million US \$)

CATEGORY	APRIL-MARCH 2020-2021	APRIL-MARCH 2021-2022	% VARIATION	% Share 2020	% Share 2021
FINISHED LEATHER	378.23	456.10	20.59%	10.27%	9.36%
LEATHER FOOTWEAR	1485.55	2047.08	37.80%	40.35%	42.01%
FOOTWEAR COMPONENTS	197.59	249.87	26.46%	5.37%	5.13%
LEATHER GARMENTS	295.56	342.38	15.84%	8.03%	7.03%
LEATHER GOODS	944.31	1287.06	36.30%	25.65%	26.41%
SADDLERY AND HARNESS	186.18	276.10	48.30%	5.06%	5.67%
NON-LEATHER FOOTWEAR	194.16	214.11	10.28%	5.27%	4.39%
TOTAL	3681.58	4872.70	32.35%	100.00%	100.00%

Source : DGCI&S

% SHARE OF LEATHER & LEATHER PRODUCTS FY 2021-22



**COUNTRY WISE EXPORT PERFORMANCE OF LEATHER AND LEATHER PRODUCTS INCLUDING NON-
LEATHER FOOTWEAR FROM INDIA
DURING APRIL-MARCH 2021-22 VIS-A-VIS APRIL-MARCH 2020-21**

(Value in Million US \$)					
COUNTRY	APRIL-MARCH 2020-21	APRIL-MARCH 2021-22	% Change	Share in APR-MAR. 20-21	Share in APR-MAR. 21-22
U.S.A.	645.03	1158.24	79.56%	17.52%	23.77%
GERMANY	481.44	536.02	11.34%	13.08%	11.00%
U.K.	326.98	456.75	39.69%	8.88%	9.37%
ITALY	248.60	287.95	15.83%	6.75%	5.91%
FRANCE	245.42	278.93	13.65%	6.67%	5.72%
NETHERLANDS	155.42	216.82	39.51%	4.22%	4.45%
SPAIN	154.06	212.68	38.05%	4.18%	4.36%
CHINA	95.15	136.59	43.55%	2.58%	2.80%
BELGIUM	80.02	115.71	44.60%	2.17%	2.37%
U.A.E.	80.05	105.48	31.77%	2.17%	2.16%
AUSTRALIA	74.95	91.23	21.72%	2.04%	1.87%
POLAND	86.26	82.32	-4.57%	2.34%	1.69%
HONG KONG	58.48	68.03	16.33%	1.59%	1.40%
DENMARK	61.24	67.36	9.99%	1.66%	1.38%
JAPAN	45.69	64.6	41.39%	1.24%	1.33%
CANADA	35.81	60.92	70.12%	0.97%	1.25%
VIETNAM	53.33	60.4	13.26%	1.45%	1.24%
PORTUGAL	44.45	59.43	33.70%	1.21%	1.22%
CHILE	31.92	47.07	47.46%	0.87%	0.97%
RUSSIA	39.28	42.79	8.94%	1.07%	0.88%
KOREA REP	35.91	40.37	12.42%	0.98%	0.83%
AUSTRIA	27.72	37.96	36.94%	0.75%	0.78%
SOUTH AFRICA	26.17	33.4	27.63%	0.71%	0.69%
MEXICO	17.69	32.35	82.87%	0.48%	0.66%
SWEDEN	28.10	31.83	13.27%	0.76%	0.65%
MALAYSIA	32.40	29.75	-8.18%	0.88%	0.61%
SOMALIA	42.42	29.66	-30.08%	1.15%	0.61%
SAUDI ARABIA	23.23	28.56	22.94%	0.63%	0.59%

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(Value in Million US \$)

COUNTRY	APRIL-MARCH 2020-21	APRIL-MARCH 2021-22	% Change	Share in APR-MAR. 20-21	Share in APR-MAR. 21-22
INDONESIA	17.94	21.28	18.62%	0.49%	0.44%
SWITZERLAND	29.50	20.35	-31.02%	0.80%	0.42%
HUNGARY	20.90	18.98	-9.19%	0.57%	0.39%
SLOVAK REP	14.48	18.12	25.14%	0.39%	0.37%
BANGLADESH	13.51	17.68	30.87%	0.37%	0.36%
TURKEY	11.85	17.23	45.40%	0.32%	0.35%
ISRAEL	13.46	16.99	26.23%	0.37%	0.35%
NIGERIA	12.79	16.5	29.01%	0.35%	0.34%
THAILAND	14.92	15.63	4.76%	0.41%	0.32%
FINLAND	11.66	14.08	20.75%	0.32%	0.29%
CZECH REP.	8.35	12.27	46.95%	0.23%	0.25%
SINGAPORE	4.59	10.8	135.29%	0.12%	0.22%
NEW ZEALAND	8.60	10.74	24.88%	0.23%	0.22%
KENYA	11.52	7.49	-34.98%	0.31%	0.15%
GREECE	8.25	7.15	-13.33%	0.22%	0.15%
SRI LANKA DES	4.57	7.15	56.46%	0.12%	0.15%
OMAN	6.68	7.01	4.94%	0.18%	0.14%
TAIWAN	4.38	6.65	51.83%	0.12%	0.14%
CAMBODIA	4.70	6.27	33.40%	0.13%	0.13%
NORWAY	6.49	5.99	-7.70%	0.18%	0.12%
SUDAN	11.00	3.67	-66.64%	0.30%	0.08%
DJIBOUTI	3.13	2.56	-18.21%	0.09%	0.05%
OTHERS	161.09	194.86	20.96%	4.38%	4.00%
TOTAL	3681.58	4872.70	32.35%	100.00%	100.00%

Source : DGCI & S

Major Markets:

- The major markets for Indian Leather & Leather Products are USA with a share of 23.77%, Germany 11.00%, UK 9.37%, Italy 5.91%, France 5.72%, Netherlands 4.45%, Spain 4.36%, China 2.80%, Poland 1.69%, Belgium 2.37%, UAE 2.16% and Hong Kong 1.40%.
- The **Top 15 countries** together account about 79.60% of India's total leather & leather products export during April-March 2021-22 with export value of US \$ 3878.71 Mn.