



INDIA NEWS-LEATHER

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17th Delhi International Leather Fair ,
October 23-25, 2009



Mission to Sudan and Egypt Visit of Leather
Sourcing Delegation to Sudan – October 27-
28, 2009 and Egypt – October 29-30, 2009



Dissemination Workshop for Zero
Waste Discharge technology (In
Process), Kanpur, October 22, 2009

Chairman's Note

Dear Colleagues

Export Performance

Scheme for 'Development of Leather Parks' under ILDP

I am pleased to inform that the Department of Industrial Policy and Promotion (DIPP), Government of India has notified the 'Development of Leather Parks' as a sub-scheme under Indian Leather Development Programme (ILDP) with an outlay of Rs.300 crore. Earlier, the Cabinet Committee on Economic Affairs (CCEA) in its meeting held on Oct.22,2009 had approved the Scheme. This Scheme proposes to establish Leather Parks during the 11th Five Year Plan period and targets industrial clusters/locations with high growth potential which require strategic interventions by way of providing world class infrastructure support. The scheme will cover the entire value chain of leather industry i.e. tannery, finished leather products, footwear components etc;

The financial assistance under the "Leather Parks Scheme" would be given to a Special Purpose Vehicle (SPV) formed by a group of entrepreneurs (minimum of 7 legally independent companies) which intend to set-up production units in the proposed park. The Government assistance will be @ 50% of the project cost for components namely common infrastructure, capacity building and Engineering and Construction Supervision as well as project development and execution Consultancy, subject to a maximum of Rs.40 crore per park.

As the "Development of Leather Parks" scheme is totally demand-driven and the proposal for setting up of a Park has to be first initiated by the SPV, I would urge the industry in all regions to chalk-out appropriate strategies for utilizing the scheme by formation of SPVs.

The Notification and detailed guidelines of the scheme are hosted in the website of DIPP (www.dipp.nic.in) and CLE (www.leatherindia.org).

Export Performance during April – September 2009

The downturn in export of leather and leather products continues during April – September 2009 with the exports coming down to US \$ 1715.03 million from US \$ 1976.80 during same period last year.

The only silver lining even during this crisis period, export of Leather Garments has recorded a positive growth of 24.50%, while all other segments have shown negative growth, with the footwear components, finished leather & leather footwear segments showing highest reductions of -25.40% -25.34% , and 18.34% respectively in Dollar Terms.

Buyer Seller Meet in New York, USA

Even in this difficult times of economic crisis, we need to keep our marketing efforts going to achieve long term growth & development of the sector.

With this objective, the Council will be organizing a Buyer Seller Meet in USA on January 18 & 19, 2010 in New York wherein about 21 member-exporters of leather goods/accessories and leather garments will be participating. Considering the sheer size of the USA market, we need to explore all marketing options to tap the potential in this market.

Hence, even though we are participating in the Magic Show Fair in Las Vegas, it was considered necessary to organize a stand-alone event in the eastern part of USA to increase the awareness on the quality and product consistency of the Indian Leather Sector among the buyers in USA. This event is organized in consultation with Consulate General of India, New York. A professional agency has been engaged to undertake buyer mobilization efforts.



I hope that the BSM event will result in promoting the “country brand image”, besides generating business for the participants. I wish the participants all success in their endeavours.

Online Issuance of Registration-cum-Membership Certificate (RCMC)

An announcement was made in the Foreign Trade Policy 2009-14 notified on August 27, 2009 that to further EDI initiatives, Export Promotion Councils/ Commodity Boards have been advised to issue RCMC through a web based online system and issuance of RCMC is expected become EDI enabled before the end of 2009.

As members are aware, online issuance of RCMC and linking the same to the DGFT server, will quicken the process of issuance of various licences/scripts by DGFT.

The Council is in touch with the DGFT to obtain the required software for online issuance of RCMC.

We will keep the members informed during implementation of this facility.

India International Leather Fair (IILF), Jan. 31- Feb. 3, 2010

Preparations have begun for the 2010 edition of IILF which will be the silver jubilee edition of the fair.

The 2010 edition has already received overwhelming response from the exhibitors with bookings for Group Pavilions made by China, France, Germany, Italy, Pakistan and Thailand.

The Council is playing an active role in promotion of the fair by co-ordinating the overseas media publicity of the fair. Besides, the Council will be inviting overseas buyers for the fair and organize B-to-B meetings. The Council will also be inviting Resource Persons who will give presentations in Seminars and overseas journalists to give coverage in the international media.

We are all looking forward to have another successful edition of IILF.

With Best Wishes

Habib Hussain
Chairman
Council for Leather Exports

From the Editor

Dear Colleagues

Welcome to the November 2009 edition of the India News – Leather of the Council !

In the previous issue, we had extensively covered the outcome of major overseas international fairs as well other market promotion efforts of the Council. In this edition, we have featured a comprehensive report on the 17th edition of Delhi International Leather Fair (DILF 2009) organized from October 23- 25, 2009. The unique feature of DILF 2009 was that it was entirely different from the previous editions, because of its focus on finished products like footwear, leather goods and leather garments, which involve a substantial value addition and fetch reasonable amount of demand in the global market. Thus, DILF 2009 helped in portraying the India as a supplier of high quality value added products and served as a sourcing point for overseas and domestic buyers of these products. The success of DILF 2009 has given an impetus to have more and more finished products including brands in the upcoming 2010 edition of the fair so as to present a wide range of high quality items. You will find complete details on the fair and the events held during the fair in the comprehensive report included in this issue.

As part of our on-going efforts to explore markets which can serve as reliable suppliers of raw hides, skins

& leather to meet the growing demands of the Indian leather industry, the Council organized the visit of a leather industry delegation to Sudan and Egypt from Oct. 27-30, 2009, which ended on a successful note. A report on this programme is covered in the **Events** section.

The latest trends in export of leather and leather products from the country are covered in the **Export Performance** section.

The **Trade Policy** section has write-up on the Scheme for ‘Development of Leather Parks’ notified under the Indian Leather Development Programme (ILDP) by the Department of Industrial Policy and Promotion (DIPP).

In the **Regional Round-up** section, we have covered details of the Workshop for Zero Waste Discharge technology held in Kanpur on Oct. 22, 2009, and Seminar in Mumbai held on Oct. 30, 2009.

I hope you will find the information in this issue useful.

With Best Wishes

Ali Ahmed Khan
Executive Director
Council for Leather Exports

17th Delhi International Leather Fair , October 23-25, 2009

A report

The 17th edition of the Delhi International Leather Fair (DILF2009) was organized by India Trade Promotion Organization (ITPO) in association with Council for Leather Exports (CLE) from Oct. 23-25, 2009 at Pragati Maidan, New Delhi in an area of 1800 sq.mtr. The event was actively supported by Central Leather Research Institute (CLRI) and Footwear Design and Development Institute (FDDI).

Inauguration

The fair was inaugurated by Mr. Tejendra Khanna, Lt. Governor of Government of NCT of Delhi. Dr. Subash Chandra Pani, Chairman and Managing Director, ITPO; Mr. Rajeev Yadav, Executive Director, ITPO; Mr. Habib Hussain, Chairman, CLE; Mr. Sanjay Leekha, Vice-Chairman, CLE; Mr. K.L. Arora, Regional Chairman (NR), CLE, Mr. Subash Kapoor, Convenor, Delhi International Leather Fair Organizing Committee (DILFO), Mr. Ali Ahmed Khan, Executive Director, CLE, industry representatives; press & electronic media, exhibitors from India and abroad, overseas delegates including buyers and journalists were present on the occasion.



Mr. Tejendra Khanna, Lt. Governor of Government of NCT inaugurating the fair. Others present are (from left to right) : Mr. K.L. Arora, Regional Chairman (NR), CLE ; Mr. Subash Kapoor, Convenor, DILFO; Mr. Habib Hussain, Chairman, CLE ; Dr. Subash Chandra Pani, CMD, ITPO (behind the lamp) and Mr. Rajiv Yadav, ED, ITPO (extreme right)

In his opening remarks, Dr. Subash Chandra Pani, CMD, ITPO, spoke about the salient features of DILF 2009. Speaking on the occasion, Mr. Tejendra Khanna, Lt. Governor of NCT of Delhi urged the leather sector to be competitive and follow good business ethics while maintaining global standards in quality and reliability so that the export target of US \$ 7.03 billion could be

achieved by 2013-14. The Lt. Governor also welcomed the overseas participants and wished them success in their endeavours.



Mr. Tejendra Khanna, Lt. Governor of Government of NCT visiting the stands. To his right are Mr. Ali Ahmed Khan, ED, CLE and Mr. Habib Hussain, Chairman, CLE

Exhibitor's and Business Outcome

DILF2009 witnessed the participation of 100 exhibitors, including 7 from overseas countries including China, Italy, Taiwan and Thailand. Various products associated with the leather and allied sectors were displayed in the fair which included hand bags, wallets, purses, portfolios, rucksacks, briefcases, belts, sports goods, leather upholstery, footwear and footwear components, chemicals, leather processing machinery, leather goods, manufacturing machinery etc.,



A view of a stand in the fair

As per feedback of overseas buyers, immediate business transacted with Indian exporters in the fair was US \$ 3.50 million and future expected business was US \$ 10.31 million.



A view of another stand in the fair

Visit of Overseas Buyers/ Business Delegates

DILF 2009 attracted overwhelming response from trade visitors and buyers from India and abroad. As per preliminary reports of ITPO, more than 4000 trade visitors and buyers visit the event. On the invitation of ITPO and CLE, more than 50 buyers from 21 countries namely Austria, Belarus, Bolivia, Bulgaria, Chile, Egypt, Germany, Iran, Italy, Kenya, Malaysia, New Zealand, Singapore, Turkey, Russia, South Africa, Spain, UK and Syria visited the fair. Besides, a 17 member business delegation from Iran also visited the fair.

Participation of overseas journalists

The Council invited the six overseas journalists to DILF 2009 so as to ensure wide coverage of the event in the international media. They were : Dr. Pier Nicola Fascetto, Foto Shoe Group, Italy ; Mr. Carlo Leoni, International Technology, Italy ; Ms. Joy Tibbs, World Leather/World Footwear, UK ; Mr. Filippo Galli, Modapelle, Italy ; Mr. Sanjoy Sen, ARS Arpel Group, Italy ; Mr. Amir Houshang Vatandoost, Leather and Shoe Market Magazine, Iran. The overseas journalists interacted with the exhibitors and gathered information for their news coverage. CLE exclusively arranged their meetings with some of the key industry representatives, besides organizing their participation in trade seminars.

Visit of Resource Persons and organization of Seminars

As a regular feature, the Council organized the visit of 2 Resource Persons to the fair, with the objective of disseminating their technical expertise to the industry. They were Mr. Peter T. Mangione, Former President, Footwear Distributors & Retailers of America (FDRA), USA and Mr. Avedis H. Seferian, Director of

Compliance Administration, Worldwide Responsible Accredited Production (WRAP), USA, who made presentations in the Seminar Sessions during the fair. Mr. Peter Mangione made a presentation on two topics namely **US/Global Shoe Market** and **US Safety Rules for Children Shoes** while Mr. Avedis H. Seferian made a presentation on **Social Compliance Certification for exporters of Leather Apparel, Footwear & Accessories to supplies to US and other Global Markets**. Besides these presentations, a Seminar on **New Technology Developed for Zero Waste Discharge in Tanneries** was organized on the first day wherein Mr. P. Saravanan, Scientist, CLRI made a detailed presentation on this technology developed by CLRI which is ready for commercialization.

CLE Information Booth

The Council had an Information Booth in the fair wherein publications and publicity/promotional materials were displayed, so as to disseminate vital information on the developments in the leather industry to the domestic and overseas visitors. A large number of visitors visited the CLE booth seeking information on the Indian leather industry.

CLRI Theme Pavilion

One of the major highlights of the fair was IMAGINATION – the Theme Pavilion set-up by Central Leather Research Institute (CLRI), in association with CLE and ITPO. The Theme Pavilion presented Autumn-Winter collections for 2010-11.



CLRI Theme Pavilion

The design of the Pavilion was done so as to portray CALMNESS, CASHMERE & CONNECTION, which are the sub-themes for the Autumn-Winter 2010-11 season, featuring the collections of 19 companies. The Best of India merchandise were exhibited at the Theme/Trend Pavilion, which was the central focus of the fair and the theme for DILF 2009, showcasing the capability

of the Indian leather sector to cater to the latest fashion trends through their range of quality products.

Fashion Show 2009

The Fashion Show organized by the Delhi International Leather Fair Organising Committee (DILFO), in association with Confederation of Footwear and Leather Industry (CFLI) and other agencies on October 24, 2009 witnessed the presentation of latest collections of a wide range of leather and leather products.

Conclusion

The unique feature of DILF 2009 was that it was entirely different from the previous editions, because

of its focus on finished products like footwear, leather goods and leather garments, which involve a substantial value addition and fetch reasonable amount of demand in the global market. Thus, DILF 2009 helped in portraying the India as a supplier of high quality value added products and served as a sourcing point for overseas and domestic buyers of these products. Considering the success of DILF 2009, it is proposed to give more focus to value added finished products in the future edition. It is also proposed to organize DILF 2009 in conjunction with other events focusing on life style products and handicraft items, so as to attract maximum exhibitors and business visitors

Events

Mission to Sudan and Egypt Visit of Leather Sourcing Delegation to Sudan – October 27-28, 2009 and Egypt – October 29-30, 2009

Background

As the Indian leather industry is growing, the requirement of leathers, the basic raw material for manufacture of value added products is also on the increase. The estimated requirement of leather for achieving the US\$ 7.03 billion export target by 2013-14 is 4 Billion sq. ft. Out of this, 2 Billion Sq. ft is currently produced in India and hence an additional 2 billion Sq. ft is required.

Though the tanning industry in the country is investing on capacity modernization and augmentation, the industry is also increasingly depending on import of leathers, to meet its growing requirement. Hence, there is a necessity to lookout for new avenues where from the raw materials such as raw hides & skins, wet blue / crust, semi-finished & finished leathers can be sourced. In this context, the Council identified **the NEAR EAST Countries, namely Sudan and Egypt** as one of the major source for raw materials, which are strong in livestock population and production of hides and skins and organized the visit of a delegation for making an on-the-spot assessment of situation and to explore the possibilities of creating a synergy between the Tanning Industry in **Sudan & Egypt** and Indian tanneries for mutual benefit.

Assessment / Sourcing Mission:

The Indian Leather Sourcing Delegation comprised of four member-exporters of the Council for Leather Exports:

PROGRAMME IN KHARTOUM, SUDAN – October 27 & 28, 2009

The Indian Leather Sourcing Mission in Khartoum, Sudan was organised by the Council with the active support and guidance from Dr. Ajay Kumar, Head of Chancery, Embassy of India, Sudan in firming up the entire programme for the Indian Leather Sourcing Delegation. The programme in Khartoum, Sudan started with a brief introduction to the Indian Leather Delegates by Dr. Ajay Kumar, Head of Chancery, Embassy of India, Khartoum.



Meeting with Dr. Ajay Kumar, Head of Chancery, Embassy of India, Sudan

Thereafter, the programme for the Indian Delegates comprised Meeting with Sudanese Leather Tanners at Leather Chamber, Sudanese Chambers of Industries Association (SCIA) ; Visit to Alamatong Tannery, Khartoum ; Visit to Samara Tannery and Taxim Tannery; One-on-One business meetings and Visit to Omdurman Leather (souvenir) Market



Visit to Tannery in Sudan

As per participant's feedback, the raw material availability in Sudan is abundant. However, due to some US sanctions, the availability of chemicals for treating these raw hides and wet-blue has to be stream-lined for further developing the resources. Besides most of the Tanneries in Sudan are Govt. sponsored.

PROGRAMME IN CARIO, EGYPT **– October 29 & 30, 2009**

The Indian Leather Sourcing Mission in Cairo, Egypt was organised by the Council with the active support and guidance from Mr. Pritam Lal, Head of Chancery, Embassy of India, Cairo, Egypt and Mr. Hany, from the Embassy in firming up the entire programme for the Indian Leather Sourcing Delegation. The programme in Cairo, Egypt started with a brief introduction by the Indian Leather Delegates with Mr. Hany, from the Embassy of India, Cairo. Thereafter, the programme for the Indian Delegates comprised One-to One Business Meetings between Indian Leather Sourcing Delegates and Cairo Leather Tanners at Ramses Hilton Hotel, Cairo followed by Tannery Visits viz. Ell Gonih Tannery, and Sarg Tannery.



Business discussions in progress



Meetings in Egypt

As per Members feedback, the Egyptian leather sector is well-advanced and a large number of Indian Technicians are employed in the Egyptian Tanneries. In Cairo, there is availability of Cow and Buff. In Alexandria, sheep skins are available. In this background, there are possibilities of establishing JVs / marketing collaborations between Indian and Egyptian Tanneries in the immediate future.

Conclusion:

The Sudan and Egypt markets are hitherto untapped market with huge potential for wet blue and semi processed leathers. Thus, these markets have the potential to become a significant supplier of raw materials to Indian tanneries considering the quantity of material available in these countries. Besides Sudan and Egypt also provides an opportunity for Indian leather entrepreneurs to manufacture leather products in these countries by way of entering into joint venture collaborations between Indian Tanners and Sudanese and Egyptian counterparts. This could help Indian manufacturers to produce goods at lower costs and overcome the logistic delays that are seen in India.

By establishing Joint venture collaboration, in Sudan and Egypt, the cost at which the wet blue would be available to Indian tanneries could come down drastically. This could have huge impact on the input cost in the tanning industry. Considering the market potential and strengths of the Industry, it is just in time for Indian Entrepreneurs to enter this market after deciding upon investing/ establishing Joint Venture collaborations in Sudan and Egypt for sourcing right type of wet blue and semi processed Leathers before it becomes too late. Current Export Performance Trends – 2009-10 (Provisional Data)

Export Performance

EXPORT OF LEATHER AND LEATHER PRODUCTS FROM INDIA DURING APRIL-SEPTEMBER 2008 VIS-A-VIS APRIL- SEPTEMBER 2009

(Value in Million Rs)			
CATEGORY	APRIL-SEPT 2008	APRIL-SEPT 2009	% VARIATION
FINISHED LEATHER	16864.31	13871.40	-17.75%
LEATHER FOOTWEAR	28479.24	25393.50	-10.84%
FOOTWEAR COMPONENTS	6440.74	5347.90	-16.97%
LEATHER GARMENTS	9592.15	13023.60	35.77%
LEATHER GOODS	19890.84	19693.30	-0.99%
SADDLERY AND HARNESS	2267.53	2155.10	-4.96%
NON-LEATHER FOOTWEAR	1033.36	1121.50	8.53%
TOTAL	84568.17	80606.30	-4.68%

(Value in Million US\$)			
CATEGORY	APRIL-SEPT 2008	APRIL-SEPT 2009	% VARIATION
FINISHED LEATHER	395.33	295.14	-25.34%
LEATHER FOOTWEAR	665.71	540.29	-18.84%
FOOTWEAR COMPONENTS	152.53	113.79	-25.40%
LEATHER GARMENTS	222.57	277.10	24.50%
LEATHER GOODS	464.94	419.01	-9.88%
SADDLERY AND HARNESS	53.10	45.85	-13.65%
NON-LEATHER FOOTWEAR	24.22	23.86	-1.48%
TOTAL	1976.80	1715.03	-13.24%

Source: April-September 2008 - DGCI& S data ; April-September 2009 - Monthly Customs data

Observations

RUPEE TERMS

1. India's export of leather & leather products during April-September 2009 touched Rs.8060.63 crore as against Rs.8456.81 crore, recording a decline of 4.68%
2. Export of leather garments and non-leather footwear has recorded a growth of 35.77% and 8.53% respectively.
3. Export of leather footwear, leather goods and saddlery & harness have recorded a decline of 10.84%, 0.99% and 4.96% respectively.
4. Export of finished leather declined by 17.75%

DOLLAR TERMS

1. India's export of leather & leather products during April-September 2009 touched US\$ 1715.03 million as against US\$ 1976.80 million, recording a decline of 13.24%
2. Export of leather garments has recorded a growth of 24.50%.
3. Export of leather footwear, leather goods and saddlery & harness had recorded a decline of 18.84%, 9.88% and 13.65% respectively.
4. Export of finished leather declined by 25.34%

Trade Policy

Scheme for 'Development of Leather Parks' notified under ILDP

The Department of Industrial Policy & Promotion (IPP), Ministry of Commerce & Industry, Government of India is implementing an Indian Leather Development Programme (ILDP) for the overall industrial growth of leather sector in the country during the Eleventh Five Year Plan period 2007-2012. Vide Notification No.5/17/2007 dated 29th August 2008, the sub-schemes of the ILDP has been notified with a combined outlay of Rs.912.67 Crores. The ILDP lays thrust on several areas such as modernization of production facilities, upgradation of technologies, expansion of production capacities, setting up of institutional facilities, skill development of fresh manpower, skill upgradation of existing manpower, development of rural artisans, address environmental concerns in the tanning sector, propagating India as an attractive destination for joint venture collaborations/FDIs in the foreign markets.

Further to above, the Department of IPP is now proposing to implement a scheme for 'Development of Leather Parks' with an objective to create additional capacities in the leather sector and assist the industry in addressing the infrastructure needs of the entire leather sector in a holistic manner. The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 22nd Oct 2009 has approved the Scheme for 'Development of Leather Parks' with an outlay of Rs.300 crore. Accordingly, the Department of IPP has notified the Scheme for 'Development of Leather Parks' vide Notification No.5/15/2008-Leather dated 05th Nov 2009.

A copy of the Notification along with Scheme Guidelines is available in the websites of Department of IPP www.dipp.nic.in, and CLE www.leatherindia.org. The Extract of the Notification is given below:

The Central Government has approved a sub-scheme, titled 'Development of Leather Park' with an allocation of Rs.300 crores under ILDP for implementation during the 11th Five Year Plan period. The scheme targets industrial clusters / locations with high growth potential, which require strategic interventions by way of providing world-class infrastructure support. The project cost will cover common infrastructure and building for support activities, depending upon the needs of the Leather Parks. There will be flexibility in setting up Leather Park subject to a ceiling of Rs.40 Crore per park. Leather Parks would include; Tanning Parks, Leather Product Parks and Machinery Parks to manufacture machineries used in the Leather Sector as well as Integrated Parks housing both tanneries and the product units.

The benefits under the scheme shall be available to a SPV formed by a group of entrepreneurs (minimum being 7 legally independent companies) that are engaged in leather tanning, manufacturing of leather and non-leather goods and components and other activities associated with leather industry, which intend to set up production units in the proposed park. The project-specific Special Purpose Vehicle (SPV) promoted by such entrepreneurs for development and management of the proposed entrepreneurs ie., his company has to be at least Rs.,1 Crore and the combined net worth of the seven promoters forming SPV should be at least Rs.10 Crore.

Government would engage the services of an agency that has proven experience in developing, financing and executing the industrial cluster infrastructure projects, as advisor in implementation of the scheme, from the stage of approval to commissioning of the project. The agency would assist Department of Industrial Policy & Promotion in monitoring and evaluation of the projects under the scheme.

The sub-scheme is applicable in all over India. The guideline of the scheme is available on the website of the Department. Interested leather entrepreneurs can submit preliminary proposal under the scheme as detailed in the guidelines directly to the Department for approval. Department would approve the proposal on first come first serve basis.

The following are major highlights of the Scheme notified by the Department of IPP:

This scheme would be totally demand-driven and the proposal for setting up of a Park has to be first initiated by the SPV. A group of minimum 7 legally independent companies which are interested to set up production units in the Park have to form a Special Purpose Vehicle (SPV). SPV should be a non-profit company and it should be registered under Section 25 of the Companies Act. The SPV would conceptualize, formulate, achieve financial closure, implement and manage the infrastructure. The SPV should allocate sites / plots to the companies for setting-up of production units.

SPV would identify and procure land. Minimum area for a Park is 25 acres.

Role of State Government is envisaged in certain areas like assisting SPV in identification and procurement of land, providing requisite clearances etc.

Total Project cost for a Park shall be funded through GOI assistance @ 50% of the cost, subject to a maximum of Rs.40 crore per park, and equity from Industry and Loan from Banks / Financial Institutions. SPV would mobilize funds other than Govt. Grants to execute the project.

The Project cost for each Park will have the following components:

- ▶ Land & Land Development Cost (Government grant is not available for procurement of Land. However land cost - Registered value of land - could be built into the total project cost and this would be taken as part of the SPVs equity in the project).
- ▶ Common Infrastructure – in the form of physical and environmental infrastructure, technology infrastructure and marketing infrastructure
- ▶ Capacity Building such as common marketing efforts, branding, technology sourcing, skill development, quality certifications, environmental certifications

- ▶ Engineering and construction supervision, Project development & execution consultancy
- ▶ Any other expenses - including pre-operative expenses, expenses for incorporation etc

The SPV so formed by the industry members may submit the 'preliminary proposal' directly to the Department of IPP seeking in-principle approval of the Government, in the following address:

The Director
(Leather Section)
Department of Industrial Policy & Promotion
Ministry of Commerce & Industry
Government of India
Udyog Bhawan, New Delhi 110 011

The various details required for submitting the proposal to the Department of IPP has been stipulated under Para 9.10 of the Scheme Guidelines, and these may be referred to while preparing the 'preliminary proposal'.

REGIONAL ROUND-UP

Dissemination Workshop for Zero Waste Discharge technology (In Process) , Kanpur, October 22, 2009

The Council for Leather Exports ,Central Regional Office ,Kanpur organized a **Workshop on Zero Waste Discharge Technology (In Process) developed by CLRI** on October 22,2009 CLE's Office premises in Kanpur. Besides member-exporters, the members of Small Tanners Association ,Jajmau were also invited for this Workshop for wider dissemination of information. The CLRI team which participated in the Workshop included Dr. Mrs. A. Amudeswari,Head & Deputy Director (Planning), CLRI, Mr. T Saravanan, Scientist, Dr. A. Garg, Scientist In charge and Mr. Bhattacharya, Scientist CLRI Kanpur . 45 industry representatives attended the event. Mr. Irshad Mirza ,Former Chairman CLE was also present on the occasion.

The programme started with welcome address of Mrs. Indira Mishra, Regional Director,CLE, Kanpur. The Regional Chairman (CR),CLE Mr. R.K. Jalan delivered the key note address. Mr. Jalan briefed the CLRI about the Leather Industry of Kanpur and their increasing interest towards adaptation of new technologies to make the process environmental friendly as well as economical.



Mr. R.K.Jalan, Regional Chairman (CR),CLE delivering his key note address. Others on dais (to the left of Mr. Jalan) are: Mr. Irshad Mirza, former Chairman, CLE ; Dr. A. Garg, Scientist INcharge, CLRI ; Dr (Mrs) Amudeswari, Dy. Director & Head (Planning), CLRI & Mr. P. Saravanan, Scientist EII – Leather Processing, CLRI

Thereafter Dr. Amudeswari briefed about the project and said that the Zero Waste Discharge technology has been developed to treat the waste water to render it suitable /amenable for discharge into land /water bodies and stated that Minimization of environmental impact is the key task of end of pipe treatment. She expressed her hope that the tanners of Kanpur will be

benefited with this presentation. Then, Mr. Saravanan made a detailed powerpoint presentation highlighting the feasibility, economic viability, sustainability, capital investment requirements, treatment process etc; Mr. R.K.Jalan, Regional Chairman (CR) also explained the presentation details in Hindi for the benefit of small tanners. All participants showed very keen interest in the presentation & deliberation Copy of the presentation is attached.



Participants at the Workshop

In the interactive session, participants expressed their apprehension that the Zero Waste Discharge technology may require lot of space in terms of collection reservoirs as this process requires segregation of discharge from every process e.g. Soaking, Liming, Pickling, Tanning. In response to this, Dr. Amudeswari responded that total requirement of collection pit would not be more than the current space needed for primary treatment of effluent but instead of one centralized reservoir, the tannery would need individual pits/reservoirs for this process.

In regards to cost, Dr. Amudeswari explained that the Zero Waste Discharge process would ensure recycle of most of the unspent resource chemicals thereby reducing requirement of further process chemicals in subsequent operation. Further, she also explained that due to simplicity of this technology which is primarily based on separation of unspent chemicals and organic matters present in the leather by electrolytic oxidation, the chances of error in treatment also stands eliminated to a great extent and the residual solid organic waste would be disintegrated and consumed by bacteria. Dr. Amudeswari also clarified that CLRI would make initial investment and demonstrate the technology. On successful demonstration, the technology would be transferred to the tanner by paying the actual equipment cost, license fee.

Two members M/s. Homera Tanning Industries and M/s. Iqbal Leathers volunteered for conduct of first

phase of on site commercial run of this technology. The President of Small Tanners Association also expressed his willingness if the CLRI meets the 100% cost for the trial. On the whole, the Workshop received overwhelming response from the industry.

Seminar in Mumbai, October 30, 2009

The Council's Regional Office in Mumbai organized a Seminar on 30th October 2009 on various topics namely Productivity concepts and improvements Production standards for footwear, Skill development in Leather Sector – IL&FS Project for training and placement of poor youth in leather industry, REACH – current European Regulations and Integrated Development of Leather Sector (IDLS) Scheme of the Department of IPP, Ministry of Commerce & Industry, Govt. of India. 24 members participated in this Seminar.

Mr. S H A Jamati, Regional Director, CLE, Mumbai welcomed the gathering. Mr. Naresh Bhasin, Regional Chairman (WR), CLE in his welcome address informed that this seminar was organized to keep the members abreast of the latest developments in the industry so that they can tune their business accordingly to face the acute competition. Mr. Bhasin mentioned that he alongwith few other exporters had visited Kanpur to see the concept and working of the IL&FS and FDDI training centres so that similar centres can be set-up in Mumbai for the benefit of western region exporters as Mumbai is facing shortage of trained man-power. He urged members to avail of the IDLS scheme to expand their factories and increase their production.



From left to right : Mrs. Mythili Ravi, Vice- President, IL & FS,, Dr. Mrs. Varalaxmi Choudhary, Manager, SGS; Mr. H.R.Malik, former Regional Chairman, CLE ; Mr. Naresh Bhasin, Regional Chairman (WR), CLE (addressing the seminar) ; Mr. R.S.Maharajan, Dy. Director, NPC, Chennai ; Mr. S. Mathivanan, Sr. Asst. Director, CLRI, Chennai

Mr. S Mathivanan, Sr. Assistant Director, CLRI, Chennai, while speaking on Productivity concepts and

improvement, spoke about the definition of productivity, broader spectrum of productivity, factors influencing productivity, techniques for productivity improvement, improving productivity by reducing work content, improving productivity by reducing ineffective time, estimation of manufacturing time, factors influencing work content on the design of product and manufacturing processes, factors influencing in effective time, human resource development.

Mr. R S Maharajan, Deputy Director, National Productivity Council, Chennai, while speaking on essentials of Productivity improvements for footwear sector, spoke on in-depth understanding of fundamental resources and its effectiveness for achieving improved results and best utilizations of three Ms viz. materials, manpower and machines.



*Mr. R.S. Maharajan, Dy. Director, NPC addressing the Seminar.
Mr. S. Jamati, RD, CLE, Mumbai is in the background*

Mrs Mythili Ravi, Vice-President, Skill Development, IL&FS Cluster Development Initiative Ltd., in her address explained that in order to meet the skill requirements for leather industry and alleviate rural poverty, IL&FS has targeted to train and place a total of 23,000 rural BPL youth (from list maintained by District Rural Development Agencies) between 18 to 35 years of age educated atleast 5th Std. over a three year period in footwear industry at shop floor level, beginning with one month training program. The strategy is to provide assured placement for every trainee. Extensive use of multi-media and behavioural soft skill inputs to make marginalized and deprived communities feel self confident and integrate smoothly in industry work

environment, besides Guest lectures and factory visits. Existing infrastructure and facilities are used and no new buildings are constructed. Dormitory accommodation is arranged wherever required. Partnership with industry representatives / agencies having teaching aptitude will be established. Trainers would be given one month training course to improve / enhance their skills. Training centres would be equipped with state of art machines and support infrastructure. Innovative content with inputs from industry to meet global best practices has been developed in multimedia format for enhanced impact, standardization and scale. Updation, translation in local languages and customization are key methods. Duration is one month. Industry acceptable Independent certification is provided.



Attendees in the Seminar

Dr. Mrs. Varalaxmi Choudhary, Manager, Consumer Testing, SGS, spoke on current EU Regulations under REACH and explained about 15 substances of very high concern (SVHC) included by European Chemicals Agency (ECHA).

Mr S H A Jamati, Regional Director (West), gave a power point presentation on IDLS Scheme. He explained the main features, procedure, requirements, eligibility, etc and CLE having been appointed as a facilitating Agency would vet the application before forwarding to PIUs FDDI (for products) or CLRI (for tanneries) so that the queries are minimized and delays can be avoided. He urged members of the Western Region to avail the scheme. He also requested the members to approach the CLE for any guidance and clarifications in applying under the scheme.