

India's footwear and leather sector on solid ground



From its traditional position as an exporter of leather hides and skins just a few decades ago, the Indian leather trade has evolved into the second-largest global producer of footwear and leather garments, and fifth-largest exporter of leather accessories and finished leather in the world.

A strong focus on technology and innovation in footwear production is expected to further strengthen the Indian industry's success in both domestic and global markets. Production has surpassed 22 billion pairs annually since 2017, making up approximately 9.6% of the total global footwear output per year.

Government support for the rapidly growing industry is seen as a key factor in India's growth success. Its immense potential for export growth and employment generation has seen the leather industry identified as a focus sector in the Indian Foreign Trade Policy.

Under the auspices of the Government of India's Ministry of Commerce and Industry, the Council for Leather Exports (CLE) is the industry's designated export promotion organisation charged with developing the sector in India and achieving higher export growth.

Australia is seen to have a significant role to play in the Indian leather sector's growth plans, having been identified as a focus market.

Council for Leather Exports India Chairman, Mr Mukhtharul Amin expects bilateral trade between Australia and India to grow.

"India is a strong and established player in global leather trade and I see a lot of potential to enhance bilateral trade in footwear and leather products with Australia. India has a share of close to 4 per cent in Australia's import of footwear and leather products. In certain product segments, India's share is much higher - as 9.63% for Leather Goods/Accessories, 17.62% for Leather Garments, and 21.9% for saddlery and harness products. Australia is a supplier of Finished Leather to India with imports of finished leather from Australia at US\$ 9.65 Million (2016). With ongoing negotiations for a Free Trade Agreement, bilateral trade between India and Australia will be greatly facilitated and is bound to grow," Mr Mukhtharul Amin said.

To further its position in the Australian market and represent India's growing leather and leather product industry, CLE will showcase its members products at Footwear and Leather Show Australia in November, taking the largest pavilion at the event for the third year running.

"The Footwear and Leather Show with a Buyer Seller Meet dedicated to CLE, is expected to provide a novel and excellent platform for Indian companies to showcase their products to Australian buyers," Mr Mukhtharul Amin said.

Trade between India and Australia has grown strongly over recent decades, and India is increasingly becoming a manufacturing destination of choice for Australian companies due in part to the growth of India's economic performance and the country's reputation as a prestigious textile and garment market, of which the footwear sector is an important and significant contributor.

India's rich heritage in tanning and crafting of fine leather products forms a strong basis for the footwear and leather industry which boasts a workforce of 4.42 million people. The sheer volume of this skilled workforce is uniquely positioned to meet the domestic and global demand for footwear and leather products. The sector provides jobs to people mostly from the lower socio-economic sections of Indian society, with around 30 per cent of the workforce made up of women. This workforce supplies leading international brands across the world at competitive wage rates and is increasingly compliant to international environmental standards.

India holds 20 per cent of the world's cattle and buffalo population plus 11 per cent of the goat and sheep population so the leather industry is abundant in raw materials.

Second only to China is the production of footwear, India is a growing force in the sector. The support of the Indian government combined with the industry's strengths in its skilled workforce, use of technology and innovation and access to raw materials are all positive factors that bode well for the continued growth and competitiveness of India's footwear and leather product market.

About the show

International Sourcing Expo Australia, co-located with the 3rd Footwear and Leather Show Australia and 18th China Clothing Accessories Textiles Expo, is Australia's premier international sourcing show for apparel, textiles, fashion accessories, footwear and leather products. Into its ninth year, the three-day trade only event opens at Melbourne Convention & Exhibition Centre on 20 November 2018 and is restricted to bona fide trade professionals. Visit www.internationalsourcingexpo.com to register.

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