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Title: Need to restore the concessions earlier available to leather industry.

SHRI B. SENGUTTUVAN (VELLORE): Thank you, Hon. Deputy Speaker, for allowing me to raise an important issue under Matters under Rule 377.

Vellore Lok Sabha Constituency is home to about 750-odd tanneries. These tanneries account for about 37 per cent of the entire leather exports of the country. Apart from this, this sector is also labour-intensive. Lakhs and lakhs of skilled and unskilled workers are employed in the leather industries. The leather sector has been singled out for special treatment as it has been included in the Prime Minister's Make in India Initiative.

However, the leather industry today is facing problems. The industry faces severe competition from Vietnam, Pakistan and Bangladesh in the export sector. In the 2015-16 Budget, some of the benefits that were available earlier to the leather sector in Tamil Nadu have been withdrawn resulting in its stunted growth. I, therefore, want the following concessions:

1. Two per cent Duty Credit Scrip under Merchandising Exports from India Scheme [MEIS] may be extended for export of Finished Leather [HS Codes 4107, 4112, 4113 and 4114] to Hong Kong, European Union and Switzerland.

2. Two per cent Duty Credit Scrip under Merchandising Exports from India Scheme [MEIS] may be extended for export of Leather Uppers [prepared] under 64061020 to European Union, Switzerland, USA and Hong Kong.

3. Two per cent Duty Credit Scrip under Merchandising Exports from India Scheme [MEIS] may be extended for export of footwear components [Outer Soles & Heels of Rubber/Plastics (64062000), Leather parts of footwear other than soles and prepared uppers (64069020) and three per cent scrip for Other Footwear Components (64069090) for exports to Bangladesh and Sri Lanka.

4. Three per cent Scrip under Merchandising Exports from India Scheme [MEIS] to be extended for export of Leather Goods (4201, 4202, 4203 & 4205) and Footwear (6401, 6402, 6403, 6404 and 6405) to Australia, New Zealand and Switzerland.

Therefore, the restoration of these concessions is necessary to rejuvenate the ailing leather industry. I would, therefore, request Finance and Commerce Ministries to consider the restoration of these Duty Credit Scrips under Merchandising Exports from India Scheme to the leather sector favourably and to provide other additional benefits, if any, to help the leather sector in Tamil Nadu. HON. DEPUTY-SPEAKER: Shri Sultan Ahmed – Not Present.