



Government of  
Maharashtra  
Department of Industries



MAGNETIC  
MAHARASHTRA  
#MadeForBusiness



# Leather & Footwear Sector in Maharashtra



## AGENDA

- ❖ India and Maharashtra - Leather and Footwear Sector overview
- ❖ Maharashtra's Value Chain and production hubs
- ❖ Investment opportunities in Maharashtra
- ❖ Maharashtra - Mega Leather and Footwear Cluster and its supporting ecosystem
- ❖ Package Scheme of Incentives 2019
- ❖ Key players present in Maharashtra – Leather and Footwear

# The leather and footwear sector in India aims to reach an export turnover of USD 13.7 bn by 2030

## INDIAN OVERVIEW



**13%** share in global **leather output** of hides/skins

**9%** share in global **footwear production**



Employs more than **4 million** people



**8.19%** export share of **finished leather** (2022-23)

**45.2%** export share of **leather footwear** (2022-23)

### LEATHER FOOTWEAR



Estimated at **3 Bn units** by 2024

### NON-LEATHER FOOTWEAR



Estimated to grow to **\$ 6 Bn** in 2024

India is the 2nd largest exporter of leather garments and the 4th largest exporter of leather goods in the world

India is the 2nd largest exporter of footwear in the world

## MAHARASHTRA OVERVIEW



**2%** share in India's **leather output** of hides/skins

**5%** share in India's **footwear exports**



**6.82** lakh workers on e-Shram portal



**3.8%** export share of **finished leather** (2022-23)

**2.3%** export share of **leather footwear** (2022-2023)

### LEATHER FOOTWEAR



Share in India's Output: **2%** (NIC151)

### Share in India's Exports:

**5%** (Leather products and Footwear)

### NON-LEATHER FOOTWEAR



Share in India's Output: **2%** (NIC152)

**Contribution from Mumbai region to the State in FY 2022-23**



Exports worth INR **454.02** crores



**35.8%** contribution to overall state leather export worth INR 1270.46 crores

**Raw hides/skins      Pickled/tanned hides/skins      Crust/finished leather      Departmental Stores and Speciality Stores, Online**

Livestock - slaughtering

Semi-processed – Pre-tanning

Fully processed - post tanning

Finished apparel from final assembly, specific packaging etc.

Footwear, garments, accessories, upholstery

Raw Materials

Tannery operations

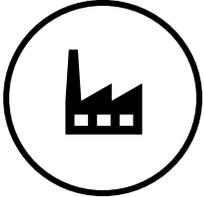
Leather products sector

**Kolhapur, Pune, Solapur, Washim, Ahmednagar and Dhule**

**Kolhapur, Nashik, Nanded, Buldhana, Parbani and Sindudurgh**



*Kolhapuri chappals that became popular in the 18<sup>th</sup> century have been a popular choice from Maharashtra for decades.*



## READY STATE-OF-THE-ART INFRASTRUCTURE – Mega Leather And Footwear Cluster at Ratwad

- Setting up unit in the **upcoming mega leather and footwear cluster**
- Dedicated hub for the leather industry, integrating manufacturers, suppliers, designers, and artisans with proximity to industrial corridors and ports



## BENEFITTING FROM SKILLING INITIATIVES IN LEATHER AND FOOTWEAR INDUSTRY

- Tapping into the readily available skilled labor in Maharashtra
- **2 Major Leather and Footwear designing colleges** in Mumbai



## INVESTING IN THE NON-LEATHER FOOTWEAR SECTOR

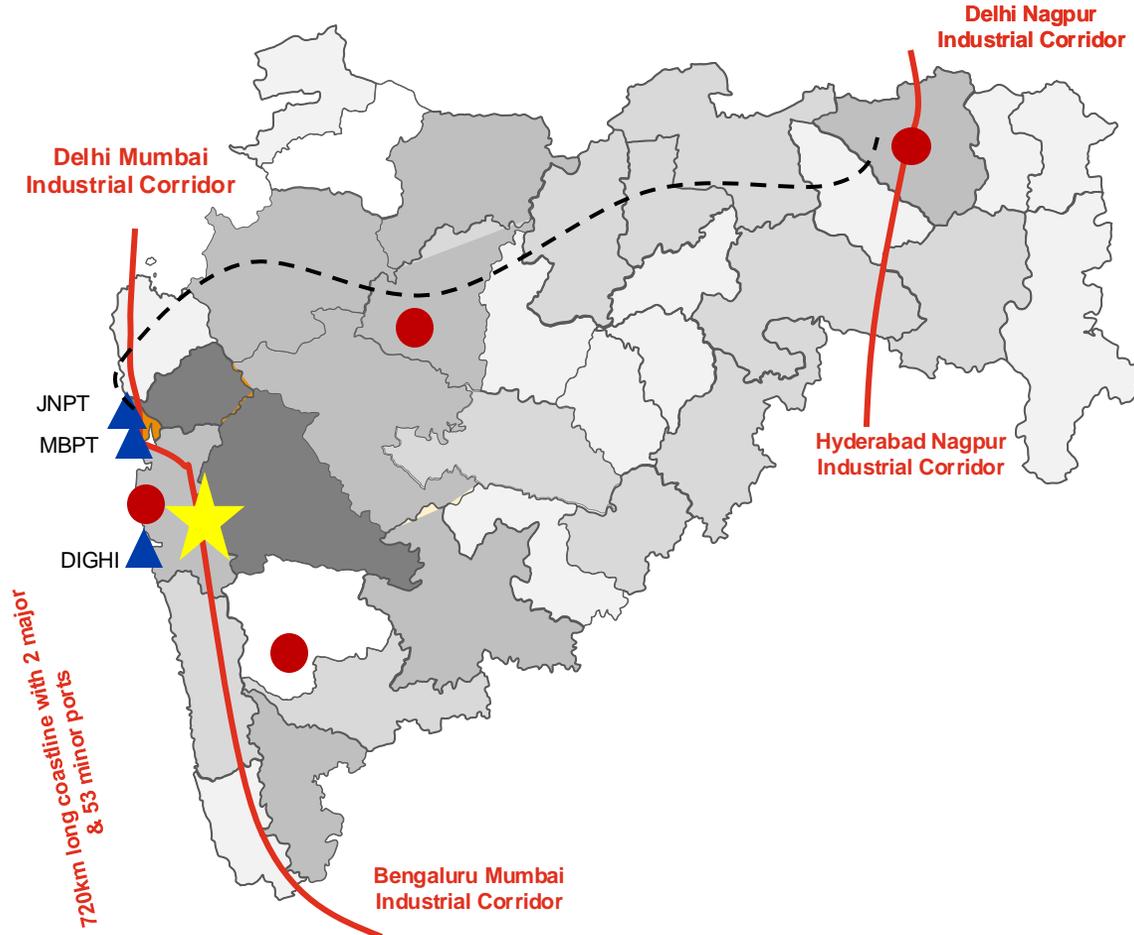
- Potential to **grow up to eight times more** than its current size by 2030
- Limited land and water requirement, no dependency on leather (a red category industry) and low intensity of electricity required
- No slaughtering and lesser pollution



## EMERGING DEMAND FOR ATHLEISURE

- Overall retail market is expected to **cross the \$ 1.1 Tn mark by 2025**
- Growing consumption of athleisure products
- Increasing urbanization, rising household incomes, connected rural consumers and increasing consumer spending

# Dedicated Mega Leather Footwear & Accessories Cluster at Ratwad, Raigad



**Legend:**

- ▲ Major Ports
- NICDC Nodes
- ★ Mega Leather Footwear & Accessories Cluster
- Industrial Corridors
- - Samruddhi Expressway

**District's Share in Manufacturing GSDP:**

- More than 10%
- 5-10%
- 2-5%
- 1-2%

	<p><b>TOTAL AREA</b> 153 acres</p>		<p><b>PORT CONNECTIVITY</b> Dighi Port – 50 km   JNPT – 90 km</p>
	<p><b>WATER TARIFF</b> INR 32 per 1000 litres</p>		<p><b>AIRPORT CONNECTIVITY</b> Mumbai International Airport - 130 km</p>
	<p><b>ELECTRICITY TARIFF</b> INR 6.96 per unit</p>		<p><b>RAILWAY CONNECTIVITY</b> Kolad (Konkan Railways) – 5 km</p>
	<p><b>LAND RATE</b> INR 1100 – 1200 per sqm</p>		<p><b>ANNUAL MAINTENANCE CHARGES</b> INR 22 per sqm</p>

**Approved under Mega Leather Footwear and Accessories Cluster Development (MLFACD)**

- **Plug and Play** facilities in the cluster (approx. 20 acres)
- **CETP** provisions in the cluster
- **Common Facility Centers**
- **Upcoming railway network from Dighi to Roha**
- **Backward and Forward Linkages** – Deonar abattoir 200 km from cluster
- **Non-leather linkages** – Dighi Port at 57 km and supply of raw materials within 200 km
- **Tanneries** at Dharavi, Bhiwandi and Kolhapur – 200 km from cluster

## Qualification Criteria

Project Classification	Area Classification	FCI (INR Cr.)	Minimum Direct Employment
<b>Mega Industrial Unit</b>	A & B	1500	2000
	C	1000	1500
	D	750	1000
	D+	500	750
	VMRSD#	350	500
	NID, NAA, AD	200	350

Ultra Mega & Mega Projects

Area Classification	Min FCI (INR crore)	Minimum Direct Employment	Max as % of FCI	Incentive period (Yr)
A & B (Only LSI)	750	1000	25%	7
C	500	750	40%	7
D	250	500	60%	7
D+	150	400	70%	7
VMRSD#	100	300	80%	9
NIA, NAA, AD	100	250	100%	9

Large Scale Industries (LSI)

Area Classification	Max FCI	Ceiling as % of FCI	Eligibility Period (yrs)
A	MSME shall include units as per the MSMED Act, 2006, as well as the units with FCI of upto INR 50 crore	-	-
B		30%	7
C		40%	7
D		50%	10
D+		60%	10
VMRSD#		80%	10
NIA, NAA, AD		100%	10

MSME

## Policy Highlights

- 100% Captive Process Vendor (CPV) investment to be considered as part of admissible FCI
- CPV and Captive Power Plant won't be counted for determining qualifying criteria
- HPC to recommend customized Package of Incentives on case-to-case basis
- Projects of Special Importance (may or may not be Mega/Ultra-Mega projects) may get customized package of incentives on case-to-case basis via HPC
- State government will be equity partner of 9% through MVRPL in projects with FCI of more than 500 crores
- Allocation of MIDC land to on priority basis

- 100% stamp duty exemption in C,D,D+, Talukas, Aspirational Districts, NID regions and in A, B region only for BT manufacturing and IT parks in Public(100%) and Private (75%)
- IPS on Gross SGST paid by units
- LSI units in Food Processing, Green Energy and Industry 4.0 to get additional fiscal support
- Thrust sectors to get additional incentives
- Incentives to promote quality competitiveness, R&D, technology up-gradation, water & energy conservation, cleaner production and credit rating

- In New MIDC industrial estates, 20% area to be reserved for MSMEs; Up to 100% stamp duty exemption.
- Electricity duty exemption for Eligibility period; IPS on Gross SGST paid by the units.
- Power tariff subsidy (except A zone) to an extent of Rs 1 per unit for 3 years.
- MSMEs in Food Processing, Green Energy and Industry 4.0, will get additional fiscal support
- Interest subsidy @ 5 % p.a. (except A zone), maximum upto electricity bills paid for the year; Marketing Assistance scheme
- Fiscal assistance to SC/ST/women entrepreneurs

Scale of Industries

# Presence of global players in Maharashtra

豐泰企業  
Feng Tay Group



## FOREIGN MANUFACTURERS



Clarks

SKECHERS

STEVE MADDEN

ALDO



Bata

asics

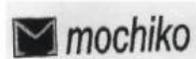


## INTERNATIONAL BRANDS



TATA INTERNATIONAL

METRO  
SHOES



ALPINE  
estd. 1986



## NATIONAL BRANDS

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॥ उद्यमात् सकल समृद्धिः ॥  
**MIDC**



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