

**GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:3086
ANSWERED ON:15.03.2000
ASSISTANCE TO TANNERIES
M. JAGANNATH

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES be pleased to state:

- (a) whether the Union Government propose to assist small scale tanneries for technological upgradation for productivity improvement;
- (b) if so, the details thereof; and
- (c) the maximum grant proposed to be given and procedure devised for monitoring implementation of the scheme?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRI-
RURAL INDUSTRIES

(SMT. VASUNDHARA RAJE)

(a) & (b) Yes, Sir.

A tannery modernisation scheme has been launched by the Ministry of Commerce and Industry to provide financial assistance to the existing tannery units for undertaking modernisation programmes for a positive environmental impact, becoming competitive, effecting better capacity utilisation, achieving productivity gains and reducing wastage. The scheme would initially be in operation from 1999-2000 to 2001-2002 and cover about 30% of the existing tanneries during the 9th Five year Plan.

(c) The assistance under the Tannery Modernisation Scheme will be limited to 30% of cost of machines subject to a maximum of Rs. 28.00 lakhs in case of small scale units and 20% for non-small scale units subject to a maximum of Rs. 35.00 lakhs. Implementation of the scheme and monitoring will be done by the Project Management Unit of the National Leather Development Programme (PMU-NLDP) through SIDBI/FIs/ Nationalised Banks/SFCs.