

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:4715

ANSWERED ON:23.05.2006

ALLOCATION OF FUNDS TO LEATHER INDUSTRY

Moorthy Shri A.K.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the funds allocated and released for modernisation of leather industry during each of the last three years and the current year, State-wise;
- (b) whether all the States have utilised the funds;
- (c) if not, the reasons therefor; and
- (d) the steps taken by the Government in this regard?

Answer

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

(a) to (d): The Union Government has notified a comprehensive scheme titled "Integrated Development of Leather Sector" (IDLS) for modernization and technology up-gradation in all the segments of the Leather Industry. The Scheme became operational with effect from November 3, 2005. The assistance is available in the form of investment grant @ of 30% to SSI units and 20% to non-SSI units with a ceiling of Rs. 50 lakh for both SSI & non-SSI units. The Scheme does not provide for a State-wise allocation of funds. During the financial year 2005-06 Rs. 12.56 crore was released under the Scheme.