

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

UNSTARRED QUESTION NO:1621

ANSWERED ON:08.03.2010

INCENTIVES TO LEATHER INDUSTRY

Balram Shri P.;Panda Shri Baijayant;Ponnam Shri Prabhakar;Pradhan Shri Nityananda

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

- (a) whether the Government proposes to set up new training centres to meet the requirement of manpower in the leather industry;
- (b) if so, the details thereof alongwith the source of funding;
- (c) whether the Government proposes to set up testing centres to meet the stringent quality, health and environment standards in comparison to other countries;
- (d) if so, the details thereof;
- (e) whether the Government is encouraging and giving incentives/concessional loans to the leather/leather products industry; and
- (f) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b): Yes,Madam.The Central Government is implementing three sub-schemes under Indian Leather Development Programme (ILDP) during the 11th Five Year Plan to meet the requirement of manpower in the leather industry. The details are as under: -

Sl	Name of sub-scheme	Allocation for 11th Five Year Plan (Rs. in crore)	Source of funding	Places where centre is established
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1	Footwear Design and Development Institute (FDDI), Fursatganj	7.17	Grants-in-Aid from Central Government	Fursatganj in Uttar Pradesh.
			under Indian Leather Development Programme (ILDP)	

2	Up gradation and Establishment of Institutional facilities	300.07	Grants-in-Aid from Central Government	Three branches of FDDI are being established under Indian Leather Development Programme at Chennai in Tamil Nadu, Kolkata in West Bengal and Rohtak in Haryana. In addition, the existing branch of FDDI at Noida would be up-graded.
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3	Establishment of Training Centre in Madhya Pradesh	24.88	Grants-in-Aid from Central Government	Chhindwara in Madhya Pradesh.
			under Indian Leather Development Programme (ILDP)	

(c) & (d): Testing facilities for the Leather Industry exist at Central Leather Research Institute, Chennai and its Regional Centres at Jalandhar, Kolkata and Kanpur; Footwear Design and Development Institute at Noida and Fursatganj; and Testing Centre in the Footwear Component Park at Chennai. For addressing the environmental issues of the Leather Industry, the Central Government is implementing a sub-scheme "Environment Initiatives" with an outlay of Rs. 200 crore under ILDP during the 11th Five Year Plan period.

(e) & (f): The Central Government is implementing a sub-scheme, "Integrated Development of Leather Sector" (IDLS) with an outlay of Rs. 253.43 crore under ILDP during the 11th Five Year Plan period. Under the sub-scheme, assistance are provided to leather units in the form of investment grant at a rate of 30% for Small Scale Industries (SSI) and 20% for non-SSI upto Rs. 50 lakh. Assistance above Rs 50 lakhs is provided at a rate of 20% within ceiling of Rs. 2 crore.