

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

UNSTARRED QUESTION NO:2004

ANSWERED ON:22.11.2010

LEATHER INDUSTRY

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

- (a) whether leather to the most labour intensive industries are provided special incentives/funds to spur their growth rate;
- (b) if so, the details thereof alongwith the modernisation programme for development of leather sector;
- (c) whether the Union Government is committed to upgrade tanning units and slaughter houses to environment friendly technology; and
- (d) if so, the measures taken by the Government in support of leather industries?

Answer

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

(a) & (b): Yes Madam, during the 11th Five Year Plan period, the Central Government has approved Rs.1251.29 crores under the "Indian Leather Development Programme" (ILDLP) aiming towards infrastructure development, capacity building, human resource development, investment promotion and addressing environmental issues for the leather industry. Under the sub-scheme, "Integrated Development of Leather Sector (IDLS)" grant is being provided for technology up-gradation, modernization and establishment of leather units. Interventions are being made in the state of Rajasthan, Karnataka, Bihar, Arunachal Pradesh, Madhya Pradesh, Orissa, Andhra Pradesh, Tamil Nadu and Maharashtra under the sub-scheme 'Support to Artisans' having an allocation of Rs. 40 crores under ILDP towards providing livelihood support, design support as per the changing trends in fashion and marketing support. Skill Development placement linked training programme in Uttar Pradesh (Agra and Kanpur), Tamil Nadu, West Bengal, Uttarakhand, Rajasthan, Haryana, Madhya Pradesh, Maharashtra, Andhra Pradesh, Orissa, Karnataka, Himachal Pradesh and onsite (in factories) and skill up-gradation training programme in Tamil Nadu are being run under the sub-scheme "Human Resource Development" having an allocation of Rs. 60 crores for providing skilled manpower to the Leather Industry and to train the working leather artisans. Research and Development support for the saddlery industry is also being provided. The Central Government has established another branch of Footwear Design and Development Institute (FDDI) with Central assistance of Rs. 96.69 crores in Fursatganj in Uttar Pradesh and is establishing 3 more branches of FDDI at Chennai, Kolkata and Rohtak with Central assistance of Rs. 96.69 crores each. Further, a training institute is being established in Madhya Pradesh with Central assistance of Rs. 24.85 crores. There is also a provision of Rs. 10 crores for up- gradation of the FDDI branch at Noida. Academic Session has started at the three new branches of FDDI at Rohtak, Kolkata, Chennai and training centre in Madhya Pradesh in September, 2010. A provision of Rs. 200 crores is available under the sub-scheme, "Environment Initiatives" to address the environmental issues of leather industry and assistance to 5 Common Effluent Treatment Plants in the State of Tamil Nadu has been provided in order to attain Zero Liquid Discharge. The Central Government is also providing assistance for infrastructure development for establishment of a Leather Complex (Tannery) in Andhra Pradesh and a Footwear Complex in Tamil Nadu. An allocation of Rs. 300 crores has been made under the sub-scheme, "Development of Leather Parks" to provide assistance towards the development of leather parks.

(c) & (d):During the 11th Five Year Plan period, the Central Government has approved a provision of Rs253.43 crore under the sub-scheme "Integrated Development of Leather Sector (IDLS)" of Indian Leather Development Programme (ILDLP) for providing grant for technology up-gradation, modernization and establishment of leather units. This grant is also provided for the establishment of Effluent Treatment Plant for tanneries/leather factories. Keeping in view the environmental concerns of the Indian Leather Industry, a provision of Rs. 200 crores is available under the sub-scheme, "Environment Initiatives" to address the environmental issues of the leather industry and assistance to 5 Common Effluent Treatment Plants in the State of Tamil Nadu has been provided in order to establish Common Effluent Treatment Plants. An allocation of Rs. 300 crores has been made under the sub-scheme, "Development of Leather Parks" to address the infrastructure constraints of Indian leather Industry in an environment friendly manner.