

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

UNSTARRED QUESTION NO:6922

ANSWERED ON:08.05.2015

. DEVELOPMENT OF TANNERY LEATHER INDUSTRY

Tanwar Shri Kanwar Singh

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

- (a) the number of people engaged/employed including self employed persons in tannery/leather industry in the country, State/UT-wise particularly in Uttar Pradesh;
- (b) whether the Government implements any scheme for the development of tannery/leather industry in the country, particularly in Uttar Pradesh;
- (c) if so, the details thereof along with the funds allocated/released and utilised thereunder during each of the last three years, State/UT-wise; and
- (d) the other measures taken by the Government for the development of tannery/leather industry in the country, particularly in Uttar Pradesh?

**Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN)

(a): The leather industry as a whole employs around 2.5 million persons whose segment-wise and state-wise position are as below:-

Employment in various segments in Leather Industry

Industry Segment	Workforce (All over India) of In million	Total	Percentage
Playing, curing, handling & transport etc. of raw material - (Self-employment)	1.00		40%
Tanning and finishing (organized)	0.10		4%
Footwear & Footwear components - (organized)	0.20		8%
Footwear & Footwear components (cottage, household and rural artisans in unorganized sector)	0.90		36%
Leather Garments, Goods etc. (Organized sector)	0.30		12%
Total	2.50		100%

(As per study report on 'Human Resource and Skill Requirements in the Leather and Leather Goods Sector (2022)' by National Skill Development Corporation)

State-wise distribution

S. No.	State	Percentage of Total People Employed
1.	Tamil Nadu	42%
2.	Uttar Pradesh	26%
3.	West Bengal	7%
4.	Haryana	5%
5.	Punjab	4%
6.	Delhi	3%
7.	Maharashtra	2%
8.	Karnataka	2%
9.	Rajasthan	2%
10.	Andhra Pradesh	1%

11. Others 6%  
Total 100%

(As per study report on 'Human Resource and Skill Requirements in the Leather and Leather Goods Sector (2022)' by National Skill Development Corporation)

(b) & (c): (i) Yes, Indian Leather Development Programme (ILDP) is being implemented for development of leather sector in 12th FYP with an outlay of Rs.990.36 crore in the country. The major objective of ILDP is to augment raw material base, enhance capacity, modernization and up-gradation of leather units, address environmental concerns, human resource development, support to traditional leather artisans, address infrastructure constraints and establish institutional facilities. The ILDP comprises the following six sub-schemes:

1. Integrated Development of Leather Sector (IDLS) - Under this sub-scheme, assistance is provided for technology up-gradation/modernization and/or expansion and setting up of a new unit in the leather sector. The Sub-scheme provides assistance in form of investment grant to the extent of 30% of cost of new plant and machinery for micro and small enterprises and 20% of cost of new plant and machinery for other units subject to a ceiling of Rs. 2 crore for each product line.

2. Human Resource Development (HRD)- HRD mission targets potential work force for leather sector and lays stress on skill development and technical development. This project is intended to train and prepare individuals to be fit to work in medium to large industrial units. Up gradation of skills of persons already employed in the sector, besides training for trainers/supervisors, is also undertaken. Under Placement Linked Skill Development Training, at least 75% of trained persons are placed in the industry as per the guidelines.

3. Support to Artisan - There are various clusters in India making traditional footwear and other leather goods. The aim of this scheme is to promote the clusters at various forums as they are an integral part of rural Indian economy and have potential for generating local employment and export. The artisan clusters all over India would be supported for enhancing their design and product development, capacity building, providing marketing support, establishing common facility center and marketing support/linkage. The broad objective of this component is to ensure better and higher returns to the artisans resulting into socio-economic upliftment.

4. Establishment of Institutional Facilities - The sub-scheme of ILDP aims at providing institutional facilities by way of establishing new campuses of FDDI to meet the growing demand of the leather industry for footwear technologies, designers, supervisors and mechanics. Two new branches of FDDI in Punjab and Gujarat are being set up.

5. Leather Technology, Innovation & Environmental Issues - This sub-scheme provides financial support to Leather Cluster to meet the prescribed pollution control discharge norms and environmental issues. This covers establishment/ expansion/ up gradation of CETPs, Technology benchmarking for implementing cleaner technologies for environment management, utilization of solid waste from tanneries and conducting workshops to educate and train the tanners and tannery workers.

6. Mega Leather Cluster - The major objective of developing Mega Leather Clusters is to create state of the art infrastructure and to integrate the production chain in a manner that caters to the business needs of the leather industry so as to cater to the domestic market and exports. These mega clusters will assist the entrepreneurs to set up units with modern infrastructure, latest technology, and adequate training and Human Resource Development

(HRD) inputs. The development of Mega Leather Clusters would help in creating additional employment opportunity, particularly for the weaker sections of society. Mega Leather Clusters (MLC) for the development of leather industry will have common facilities. The project cost would cover various infrastructure development components like Core Infrastructure, Special Infrastructure, Production Infrastructure, HRD & Social Infrastructure, R&D Infrastructure and Export services related infrastructure.

(ii) Being a Central Sector Scheme, funds are not allocated/released to State/UT. It is released to concerned implementing agencies. Year wise funds allocated/released and utilized under ILDP for the last three years are given below:-

Year	Funds allocated (Rs. in crore)	Funds released/utilized (Rs. in crore)
2012-13	90.00	90.00
2013-14	150.01	150.01
2014-15	270.00	270.00

(d):(i) Besides support under ILDP, assistance has been provided for installation of one Common Hazardous Waste Disposal Facility and one Common Effluent Treatment Plant in Unnao (Kanpur), Uttar Pradesh and for three Common Effluent Treatment Plants with Zero Liquid Discharge (ZLD) at Thuthipet (Ambur), Maligaihope (Ambur) and Valayampet (Vaniyambadi) in Tamilnadu under Industrial Infrastructure Upgradation Scheme (IIUS) being implemented by Department of Industrial Policy and Promotion.

(ii) Further, assistance to leather industry has also been provided through the following projects by Department of Commerce:-

a) Establishment of two CETPs/Leather Industrial park at Industrial park at Industrial Growth Centre, Lassipora, Pulwama and Industrial Growth Centre, Samba, Jammu & Kashmir,

b) Proposal of the CLE for undertaking Animal Welfare Projects in West Bengal and Karnataka,

- c) Development of additional infrastructure in the Ambur Trade Centre like fire fighting work, Car parking and internal road work at Ambur (Tamilnadu),
- d) Establishment of Testing Laboratory at Ranipet (Tamilnadu),
- e) Infrastructure upgradation of Design Studio in Kolkata (West Bengal),
- f) Establishment of Common Facility Centre in the leather cluster of Jalandhar (Punjab),
- g) Establishment of Trade Centre at Agra (Uttar Pradesh),
- h) Common Facility Centre in Melvisharam, Tamilnadu,
- i) Upgradation of Ranitec Common Effluent Treatment Plant (CETP), District Vellore, Tamilnadu,
- j) Upgradation of CETP in Madhavaram Leather Cluster, District Chennai, Tamilnadu.