

WRITTEN ANSWERS TO STARRED QUESTIONS

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE**

RAJYA SABHA

**STARRED QUESTION NO. 181.
TO BE ANSWERED ON FRIDAY, THE 23RD DECEMBER, 2022.**

PROMOTION OF LEATHER MANUFACTURING IN JALANDHAR

181. SHRI RAGHAV CHADHA:

Will the Minister of **Commerce and Industry** be pleased to state:

- (a) the steps taken by the Ministry to promote leather manufacturing industry of Jalandhar;
- (b) the total number of existing leather manufacturing entities/factories in Jalandhar;
- (c) the details of the number of leather manufacturing units set up as well as shut down in Jalandhar in the last three years; and
- (d) the steps taken by the Ministry for promotion of MSMEs in the leather industry in the country?

**ANSWER
THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)**

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE RAJYA SABHA STARRED QUESTION NO. 181 FOR ANSWER ON 23.12.2022.

(a): Sir, the Central Government on 19th January 2022, has approved the continuation of Central Sector Scheme 'Indian Footwear and Leather Development Programme (IFLDP)' with Rs.1700 crore till 31.03.2026 or till further review, whichever is earlier. Details of the scheme is enclosed at **Annexure-I**.

The assistance under the scheme is available for eligible entrepreneurs of Leather and Footwear Sector pan India including the entrepreneurs of Jalandhar.

(b): There are 58 existing leather manufacturing entities/ factories in Jalandhar.

(c): As per information received from Government of Punjab, no new tannery unit has been established during the last three years in Jalandhar. One unit for leather fabrication (Shoe making) has been setup. No permanent shut down of leather unit has been reported during the last three years.

(d): MSMEs in the leather industry are provided higher support compared to other units under the sub-scheme Integrated Development of Leather Sector (IDLS) of IFLDP Scheme. Assistance is provided to the sectoral units for their modernization/capacity expansion/technology upgradation @30% to Micro, Small and Medium Enterprise (MSME) units and 20% to other units. Financial assistance is provided for Northeastern Areas @40% of cost of plant & machinery to MSME units and 30% to other units.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE RAJYA SABHA STARRED QUESTION NO. 181 FOR ANSWER ON 23.12.2022.

IFLDP has been approved for implementation with six sub-schemes and the details are as under:

- (i) Sustainable Technology and Environmental Promotion(STEP):- Assistance for each Common Effluent Treatment Plant (CETP) would be @80% of the total project cost for North Eastern Areas with industry/beneficiary share would be 20% of the project cost and @ 70% of the total project cost for other areas with industry/beneficiary share would be 30% of the project cost with a limit of ₹ 200 crore.
- (ii) Integrated Development of Leather Sector (IDLS) :- Assistance provided to the sectoral units for their modernization/capacity expansion/technology upgradation @30% to Micro, Small and Medium Enterprise (MSME) units and 20% to other units. Financial assistance is provided for North Eastern Areas @40% of cost of plant & machinery to MSME units and 30% to other units. 5% additional grant is provided for domestic manufactured machinery.
- (iii) Mega Leather Footwear and Accessories Cluster Development (MLFACD) :Assistance is provided @70% of the project cost in North Eastern areas and @50% of the project cost for other regions subject to depending on the total land area as mentioned in the guidelines and for land development, core infrastructure, social infrastructure, production facilities including ready to use sheds with plug and play facility, R&D support and export services excluding cost of land with maximum Government assistance being limited to ₹ 125 crore.
- (iv) Establishment of Institutional Facilities (EIF):- Assistance would be provided as a one-time grant-in -aid for establishment/upgradation of the institutional infrastructure of Footwear Design and Development Institute (FDDI).
- (v) Brand Promotion of Indian Brands in Footwear and Leather Sector :- Central assistance would be provided 50% of total project cost subject to limit of ₹ 3 crore for each brand, each year for the next three years. The share of the Indian Manufacturer would be balance 50% of the project cost.
- (vi) Development of Design Studios in Footwear and Leather Sector:- Central assistance would be restricted to 50% of the total subject to a limit of Rs.10 crores to each design studio. The share of beneficiary would be balance 50% of the project cost.

Guidelines of these sub-schemes are available on DPIIT's website i.e. <https://dpiit.gov.in/indian-footwear-leather-and-accessories-development-program>.
