

New Delhi, 11th October 2018

Special Central Government Package for Footwear and Leather Sector

Four Projects Approved in Tamil Nadu under IFLADP

The Central Government has approved a special package for employment generation in leather and footwear sector. The package involves implementation of Central Sector Scheme - Indian Footwear, Leather & Accessories Development Programme (IFLADP) with an approved expenditure of Rs. 2600 Crore for 2017-20.

The scheme aims at development of infrastructure for the leather sector, address environmental concerns specific to the leather sector, facilitate additional investments, generate employment and increase production. Enhanced Tax incentives will attract large scale investments in this sector and reforms in labour laws taking into account the seasonal nature of the sector will support economies of scale.

In a major boost to the leather industry in Tamil Nadu under the IFLADP four projects with a total outlay of 107.33 crore have been approved by the Department of Industrial Policy and Promotion (DIPP) to facilitate upgradation of infrastructure, job creation and environmental sustainability.

The projects approved in Tamil Nadu are: upgradation of Tala Trichy Common Effluent Treatment Plant (CETP) at Trichy, Pallavaram CETP at Nagalkeni Chrompet, and SIDCO Phase-I CEPT at Ranipet and Perundurai leather industries Eco Security Pvt. Ltd. at Erode.

DIPP has also given in-principal approval for mega leather cluster at Bantala in West Bengal. This will generate employment for around 7000 people and lead to an investment of Rs. 400 to 500 crore.

The Leather Technology, Innovation and Environmental Issues sub-scheme under IFLADP provides financial support at 70% of the project cost to leather clusters to meet the prescribed pollution control discharge norms. This covers establishment, expansion, upgradation of CETPs, developing secure landfills, common recovery units, management of sludge and any other techniques for hazardous waste management.

A total of 9 projects for CETP upgradation with a gross value of Rs. 469.18 crore and GOI assistance of Rs.328.43 crore have already been approved under the sub-scheme. These projects are under implementation.

Additional proposals for CETP upgradation are under consideration of the Department.

MM/ SB