

No. 5(18)2002-Leather
Government of India
Ministry of Commerce & Industry
Department of Industrial Policy & Promotion

Udyog Bhavan, New Delhi-110011.
Dated 3-11-2005

OFFICE MEMORANDUM

Sub: Integrated Development of Leather Sector.

The Indian Leather Industry occupies a unique position in the Indian economy in terms of its contribution to employment and export potential. In spite of a strong raw material base, India's share in the global market is a meagre one. The experts have emphasized the need for capital infusion capacity addition and modernization in various segments of the leather sector to bring about efficiencies and economies of scale in order to achieve increased share in global markets.

2. Based on the assessed need of the leather sector, a comprehensive scheme for modernization and technology up gradation in all the segments of the Leather Industry, namely tanneries, footwear, footwear components, saddlery, leather goods and garments, with an outlay of Rs. 290 crore has been approved by the Government. The Scheme titled "Integrated Development of Leather Sector" (IDLS) will be implemented during the 10th Plan Period (2002-2007). The scheme will be applicable with immediate effect i.e. 3rd November, 2005.

Eligibility

3. All existing units in tanneries, leather product, leather footwear and footwear components sector undertaking viable and bankable programs on technology up-gradation on or after 3rd November, 2005 are eligible for assistance under this Scheme.

Financial Assistance

4. The financial assistance envisaged under the Scheme will consist of grant to the extent of 30% of the cost of plant and machinery for SSI and 20% of cost of plant & machinery for other units (i.e. non-small scale units) subject to a ceiling of Rs. 50 lakh for both categories for technology up-gradation/modernization and/or expansion. Investment grant would also be available to the units investing their own resources.

Implementation Arrangements

5. The scheme will be implemented through two PIUs one at CLRI, Chennai for tannery and another at FDDI, Noida for leather goods and garments , saddlery , leather footwear and footwear component. SIDBI would be the nodal agency for the Scheme. Any industrial unit desirous of availing financial assistance under this Scheme would apply in the prescribed form to the concerned PIU i.e FDDI , Noida and CLRI , Chennai for respective leather sectors. After technical appraisal, PIU would return the application back to the unit within fifteen days. The unit then would apply to the concerned bank for loan. The bank after financial appraisal of the project would accord its sanction and will forward the application along with formal sanction to the concerned PIU. The same will then be submitted by PIU to the Steering Committee and the sanction of financial assistance under the Scheme would be accorded by the Steering committee. PIU will serve as the Secretariat for the Steering Committee.

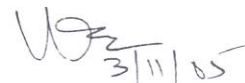
Composition of the Steering Committee is specified in the detailed guideline enclosed with the O.M.

Release of Fund

6. Financial assistance will be released by SIDBI only after the arrival of machines at site.

Project Monitoring and Evaluation

7. Department of Industrial Policy & Promotion will periodically monitor and review the progress of the Scheme. The guidelines for the Scheme are enclosed.


3/11/05

(Chanchal Kumar)

Deputy Secretary Government of India

Copy to:

1. Chief Secretary (States/UTs)
2. Members of Steering Committee
3. Secretary (Coordination), Cabinet Secretariat
4. Secretary, Department of Expenditure.
5. Member Secretary, Planning Commission.
6. Accountant Generals of all States/UTs

7. AS & FA, D/o. IPP
8. Chief Controller of Accounts, D/o. IPP.
9. Director, CLRI
10. Executive Director, CLE.
11. Office of DC(SSl), M/o SSI & ARI.
12. Budget & Accounts Section, D/o IPP.
13. Internal Circulation as per standard list.

Sub: Integrated Development of Leather Sector (IDLS)

1.0 Objective

The Indian Leather Industry occupies a unique position in the Indian economy in terms of its contribution to employment and export potential. In spite of a strong raw material base, India's share in the global leather trade is a meagre one. As Leather Industry in India was reserved for Small Scale Sector for a very long time, the level of investment in the Leather Sector is very low resulting in smaller production base, poor productivity. Obsolete technology, lack of standardization and poor marketing infrastructure has been other factors associated with the sector not growing to its potential. Given the significance of this Industry to the overall health of the Indian economy, its employment potential and historical backlog of technology up-gradation, it has been emphasized by experts that in order to assist and improve its competitiveness in the global market, it is essential for the Leather Industry to have access to timely and adequate capital in order to up-grade its technology level.

In light of the foregoing the present scheme is aimed at enabling existing tanneries, footwear, footwear components and leather products units to upgrade leading to productivity gains, right-sizing of capacity, cost cutting, design and development. The scheme targets creation of positive ambience for technology up gradation and environmental impact for attaining global competitiveness through productivity gains, minimization of wastages, right sizing of capacity, cost cutting, design and development etc.

2.0 Eligibility Criteria

All existing units in leather and leather products including tanneries, leather goods, saddlery, leather footwear and footwear component sector undertaking viable and bankable programmes on technology up-gradation on or after the date of notification are eligible for assistance. Any unit in existence for at least three years and having cash profits for at least two years on 3rd November, 2005 would be considered as an existing unit.

2.2 Modernization programmes funded by SIDBI/Banks as well as those programmes undertaken by existing production units from their own resources will be eligible for assistance.

2.3 Financial assistance under the Scheme shall be available only for such projects in which the loan has been sanctioned by SIDBI Banks/FIs on or after 3rd November, 2005 of the scheme under the present guidelines. In the case of self-financed modernization scheme financial assistance under the scheme shall be available only for such projects where the order for the purchase of machinery has been placed on or after 3rd November, 2005 and subject to necessary documents being filed as per format while making the application under the present scheme.

2.4 Existing units, relocating to new locations, seeking modernization expansion packages, inclusive of solutions to environmental problems, will also be eligible.

2.5 The project submitted by the concerned unit should be assessed to be a financially viable and bankable project. The project should lead to:

[i] Demonstrable increase in unit value realization and/or

[ii] Production capacities and/or

[iii] Better compliance of pollution control norms.

3.0 SCOPE OF THE SCHEME

Technology Up-gradation will include the following:

3.1 Measures for technology up-gradation, productivity enhancement, improved environmental safeguards, global competitiveness through cost control and minimization of waste.

3.2 Measures for up-gradation and modernization of machinery facilities including in plant lay-out and civil and associated electrical work relating to foundation of machinery facilities but excluding building and other related infrastructure.

3.3 Measures for product diversification by way of design and development, hardware and technology support including IT solutions and net working and E Governance.

3.4 Measures for improvement in plant ecology, up gradation of leather finishing facilities and worker safety.

3.5 Measures for implementation of secure environmental management plans at the individual production unit levels including replacement of pit technology in tanneries or installation of in plant pollution control devices such as chrome recovery.

3.6 Measures for quality control and testing systems as well as any obligatory measures stipulated by government regulations for individual production enterprises at unit level.

3.7 Addition of closing room facilities for footwear upper units and creation of production facilities for footwear components.

3.8 Creation of in house R & D and testing facilities and establishment of sample making facilities.

3.9 Installation of the following types of machinery in an existing unit by way of replacement of existing machinery and/or expansion will be eligible for coverage under the scheme.

- i. Modernization of Tanneries - Annexure-A
- ii. Modernization of footwear units & Modernization of footwear components units - Annexure-B
- iii. Modernization of leather goods - Annexure-C
- iv. Modernization of leather garments - Annexure-D
- v. Modernization of saddlery units - Annexure-E

3.10 Steering committee may seek the advice of National institutions for considering any other activity not listed above and machines not specified in the current guidelines for inclusion under Modernization scheme provided that they lead to visible and viable improvements leading to technology up gradation. Similarly, the Steering Committee may delete an activity/list of machineries on the advice of expert institution. However, diversification will be treated as new venture and not allowed.

3.11 Existing units will have the option to go for single or multiple activities as mentioned above with overall assistance limit of 50 lakhs. Modular efforts to modernization will be permitted generally with a time interval of at least six months between applications and on the successful completion of the earlier modules of modernization. However, Steering committee will take a view on applications for modernization in multiple numbers of times based on a) fair and equitable assistance to first time applicants and b) competitive merit of the applicant as evidenced by financial appraisals by FIs/Banks/SIDBI and technical appraisal.

4.0 QUANTUM AND NATURE OF ASSISTANCE.

4.1 The financial assistance under the Scheme will be investment grant to the extent of 30% of cost of plant and machinery for SSI and 20% of cost of plant and machinery for other units (i.e. non SSI units) subject to a ceiling of Rs. 50 lakh for technology up gradation /modernisation and/or expansion. Investment grant would also be available to units investing their own resources. For the purpose of this Scheme, the definition of small-scale industry would be the same as notified by the Government on the date of sanction of the project. The cost of up gradation under the scheme will include:

- Bill value of machines,
- Sales and excise tax,
- Transportation and transit insurance cost,
- Import related duty,
- Installation and commissioning charges including civil and electrical work restricted to 5% of total land cost of machine.

5.0 Implementation Mechanism

5.1 Administrative and Monitoring Setup

5.1.1 The implementing agency would be in the form of an administrative unit of the Department called the Project Implementation Unit (PIU) of the Integrated Development of Leather Sector. In view of larger scope of the scheme PIU will function from two centres one at CLRI, Chennai for Tanneries and other at FDDI, Noida for footwear, footwear components, saddlery, leather goods and garments and saddlery.

5.1.2 The nodal agency for release of assistance, monitoring and interface and coordination with FIs, Banks and the Government would be SIDBI.

5.1.3 There will be a Steering Committee for implementation of the scheme whose mandate would be to ensure effective implementation of the scheme. Its scope would be to lay down procedures, decide normative prices for standard plant and machineries required for the modernisation programme, accord sanction of financial assistance from Government, and monitor and follow up disbursement of financial assistance from Government to the industrial units. It will comprise of:

- JS, (Leather) DIPP as the Chairman and
- Nominee of SIDBI
- Nominee of CLRI
- Nominee of CLE
- Nominee of FDDI

- Representative of DC-SSI
- Representative of finance Wing of DIPP
- Representative on Industry(Footwear and footwear component)
- Representative of Industry (Tannery)
- Representative of Industry (Leather goods and garments)
- Representative of Industry (Saddlery)
- Director/DS (Leather)-Convener
- Other invitees as co-opted by the Chairman

5.2 Procedure For Application

5.2.1 Any industrial unit desiring to avail itself of the Government financial assistance will have to apply for assistance in a prescribed application form (IDLS-I) in triplicate to the concerned PIU. Declaration on the form should be unconditionally supported by an affidavit. PIU shall acknowledge the receipt of application and allot a registration number. PIU shall complete the technical appraisal of the application received and shall send the application along with its recommendation to the applicant within 15 days of the receipt of the application.

5.2.2 The unit shall then apply to the concerned Bank/FI in the prescribed form for loan.

5.2.3 The bank on sanction of loan will forward the application with their comments and recommendations as well as letter of sanction to PIU preferably within a month (IDLS-II).

5.2.4 PIU will then present the applications along with financial appraisal from bank and technical inputs from PIU to Screening Committee for decisions and approval.

5.2.5 The sanction of financial assistance under the Scheme will be accorded by the Steering Committee. Both technical appraisal and bankability appraisal by SIDBI/Bank will be taken into consideration prior to the sanctions of the assistance in the form of investment grants. The decision would be conveyed by the DIPP to SIDBI and the sponsoring Bank concerned under intimation to the applicant within a week of the decision of the Steering Committee.

5.2.6 In case of projects involving no loan component, the industrial unit will be required to apply in a prescribed form directly to SIDBI and they would forward the same to the DIPP along with their specific recommendations and appraisal note. The Government's financial assistance would be released through SIDBI on the basis of the site inspection report of SIDBI. The requisite documents shall also be submitted for the

approval of the Steering Committee prior to disbursement of Governmental financial assistance.

5.2.7 On the commencement of the Scheme an advance amount would be placed directly at the disposal of SIDBI. Subsequent releases would be made on a recoupment basis as per the actual. The Screening Committee would periodically review the requirement of assistance as well as disbursal for release of funds to SIDBI.

5.2.8 PIU will be responsible to the DIPP for providing technical and other assistance in the implementation of the scheme. PIU will serve as the implementation arm of DIPP and assist the Department in speedy action, development of relevant database including the lists of devices, sources of machineries etc. as well as documentation required for efficient monitoring of the projects. PIU will serve as the link between the industrial unit and the DIPP on matters relating to the applications for assistance.

6.0 Other Terms & Conditions:

6.1 The Bank/SIDBI will get an agreement executed on behalf of Government of India with the industrial unit prior to disbursement of financial assistance. Financial assistance will be released by the Banks concerned only on arrival of machines at site and after execution of the agreement on behalf of the Government of India and will be limited to 30% and 20% of the cost of machines (for SSI and non SSI respectively) as stated in the terms of agreement.

6.2 The Government financial assistance cannot be utilized for purposes other than for which it has been sanctioned. The amount released by the Government cannot be utilized towards adjustment of default in repayment of principal and payment of interest by the borrower.

6.3 After completion of the modernisation programme, the industrial unit will be required to submit a completion certificate to SIDBI. The format of the certificate would be decided by the Steering Committee.

6.4 From the date of completion, up to two years, the industrial unit availing the Government financial assistance will be required to submit operational and performance details in form IDLS III to SIDBI who would appraise the Steering Committee of the same.

6.5 In case the industrial unit becomes non-operational within two years of the receipt of Government financial assistance, it will be liable to refund the financial assistance availed, along with the interest to be charged from the date of closure till the

date of refund at the prime lending rate of SIDBI (as the case maybe). In case of non-compliance, the Bank concerned will take necessary legal action.

6.6 In case at any time it is found that financial assistance from Government has been availed of on the basis of any false information, the industrial unit shall be liable to refund the amount of Government financial assistance, along with interest to be charged, from the date of disbursement to date of refund. The rate of interest shall be the prime lending rate of the Bank concerned at the time of invoking this penal clause.

6.7 The overall implementation of the Scheme would be reviewed by the Administrative Department i.e. Department of Industrial Policy & Promotion periodically.

1. LIST OF TANNERY MACHINES

I. Pre tanning & Tanning machines

1. Paddle
2. Wooden Drum
3. Fleshing machine
4. Scudding machine
5. Suspender & Handler (for Vegetable Tanning)
6. Sample drum

II. Post tanning

1. Sammying machine
2. Splitting machine
3. Shaving machine
4. Wooden Drum
5. Steel Drum
6. Reversible setting out machine
7. Vacuum dryer
8. Togglng unit
9. Drying chamber
10. Drying conveyor with hangers
11. Vibratory staking machine (MOLISSA)
12. Slocomb staking machine
13. Dry drum
14. Dry shaving
15. Buffing & snuffing machine
16. Dust removing machine

III. Finishing machines

1. Spray booth with spray guns (for hand spray)
2. Auto spraying machine with conveyor
3. Hydraulic press with plates
4. Roller coater with conveyor
5. Curtain coater with conveyor

6. Roto press
7. Felt polishing machine
8. Stone polishing machine
9. Glazing machine
10. Finiflex machine
11. Area measuring machine

IV. Leather dry cleaning plant

V. Effluent treatment plant

VI. Leather testing equipments

2. LIST OF FOOTWEAR AND COMPONENTS MACHINES

I) PATTERN MAKING AND CUTTING MACHINE - PATTERN MAKING

1. CAD System
2. Hand-operated cutter
3. Electric pantograph
4. Numeric control for fibred cardboard series cutting
5. Micro-clicking press with turning arm
6. Computer aided cutting table for setting
7. Shoe last thermoforming machine
8. Model area measuring machine

II) CUTTING

1. Arm-type clicking press
2. Arm-type clicking press with automatic movement
3. Beam press
4. Traveling head press
5. NC die-cutting system
6. Welding-shearing die-cutting machine, High-frequency type
7. Strip cutter
8. Multi-cutting
9. Cutter for rubber bales
10. Guillotine shears
11. Roll-holder for beam press
12. Lifting platform for material in sheets
13. Roll-feeder to convey materials
14. Gripper-type feeder to convey materials
15. Planing machine for cutting boards

16. Model area measuring machine

III) MACHINES TO PREPARE AND STITCH UPPER SHOES

1. Leather splitting machine
2. Stamping machine for linings/uppers (manual or automatic type)
3. Transfer stamping machine
4. Skiving machine for upper components
5. Machine to apply reinforcing tape to upper components
6. Upper-lining stiffener (book-type closing)
7. Machine to apply reinforcing tape to upper edges
8. Rubbing and skiving machine for stitching edges
9. Seam pressing and taping machine
10. Vamp pre-forming machine
11. Modular system to hot-print mock-stitching, patterns and relief, high-frequency type
12. Plating machine to emboss or print leather
13. Plating machine to emboss upper to interlace and plate after threading
14. Seam beating machine of stitchings and sharp-edged parts of trimmed uppers
15. Perforating machine to make shoe lace holes
16. Perforating and decorating machine
17. Edge folding machine
18. Thermo cement and folding machine with reinforcing tape
19. Thermo cementing and folding machine for French binding
20. Machine to make thermoplastic toe puffs on uppers
21. Thermo adhesive toe puff attaching machine
22. Cement spraying machine for vamps to couple uppers, lining and toe puffs
23. Thermoplastic cementing machine
24. Pleating machine for uppers
25. Zig-zag sewing machine
26. Arm-type rotary sewing machine for edgings and profiling (long-arm type)
27. Flat-bed sewing machine, 1 or 2 needles
28. Flat-bed sewing machine with automatic thread cutter 1 or 2 needles
29. Post sewing machine, 1 or 2 needles
30. Post-bed sewing machine with knife, 1 or 2 needles
31. Post-bed sewing machine with automatic thread-cutter 1 or 2 needles
32. Sewing binding machine

- 33.Moccasin pre-paste cementing machine
- 34.Machine to sew imitation moccasin
- 35.Spot welding machine for stitching of moccasin aprons
- 36.Upper lining trimming machine
- 37.Strobel machine insole application
- 38Automatic sewing machine
- 39.Computerized sewing machine for assembling with templates
- 40.Eyeleting machine (manual or automatic type)
- 41.Riveting machine (manual or automatic type)
- 42.NC riveting machine
- 43.Hook, eyelet applying machine
- 44.Machine to apply decorations onto uppers
- 45.Upper lacing machine
- 46.Machine to apply snap fasteners
- 47.Roller cementing machine for zippers
- 48.Boot turn-out machine
- 49.Belt dispenser (plain, automatic or computer aided type)
- 50.Conveyor mechanical dispenser
- 51.Blades
- 52.Bell knives for skiving machines
- 53.Metal smallware
- 54.Carding tools
- 55.Special sewing machine
- 56.Computer controlled stitching machine
- 57.Shoe-repairing sewing machine

IV) SOLE UNIT ASSEMBLY AND MACHINING EQUIPMENT

1. Insole tacking machine by tacks
2. Insole trimming machine
3. Insole applying machine, pressure type
4. Insole applying machine, cement type
5. Backpart moulding machine
6. Backpart moulding machine for moccasins
7. Backpart moulding machine for stitch down/ideal applications
8. Backpart moulding machine for Goodyear applications
9. Upper edge roughing machine
- 10.Moccasin ironing machine
- 11.Steamer for toe caps and/or heel seat and stiffeners
- 12.Machine for humidifying the entire upper and reactivating toe-caps and counters
- 13.Machines for humidifying the entire upper
- 14.Toe forming machine
- 15.Pulling-over and lasting machine for cemented and other applications

16. Pulling-over and lasting machine for Goodyear applications
17. Pulling-over and lasting machine for Ideal applications
18. Machine to fix the uppers to the last by tacks (on cord)
19. Machine to pull and fix lining
20. Thermoplastic side laster
21. Waist laster with knife-type rough-rounding apparatus for Ideal applications
22. Waist laster, hook or tack type
23. Goodyear inseam trimming machine
24. Seat laster for cemented and/or tacks Seat laster for Goodyear applications
25. Seat laster for Ideal applications
26. Waist and seat laster for cemented applications
27. Lasted shoe pounding machine (idle roller/ hammer type)
28. Lasted shoe pounding machine for bottom leveling
29. Heel seat beating machine, wheel-vibrating hammer type
30. Machine for finishing the fit surface between prefixed heel and heel seat
31. Heat setter to ironing and conditioning shoes and boots lasted on last
32. High performance heat setter to ironing and conditioning shoes and boots lasted on last
33. Thermo ironing machine for shoes with saturate steam with mixture of hot air and steam and with ironing rollers
34. Heel-seat beater Manual machine to roughen assembled edges
35. Sanding machine Rotary machine to apply the masking tape to delimit roughing area
36. Automatic programmable roughing machine for lasted shoes & also with grinding device
37. Automatic cementing machine for lasted shoes
38. Semi-automatic rotary brush machine for water-dispersed adhesives
39. Overturned cementing machine for lasted shoe sole units
40. Automatic cementing machine for soles
41. Automatic roughing/cementing machine for lasted shoes
42. Roughing machine for dish soles (manual and semi-automatic type)
43. Dryer Reactivator
44. Cement drying machine with conveyor
45. Vacuum drying and reactivating unit
46. Water based cement drying machine
47. Sole press with sector pads
48. Sole press equipped with self-shaping pads
49. Automatic press with lower water pad-box
50. Chill setter with conveyor
51. Brushing machine for the removal of remains of glue along the edge last
52. Last pulling machine
53. Heel pre-fixing machine
54. Heel nailing machine

55. Gang nailing machine
56. Channeling machine for lasted shoes and soles
57. Channel opening machine
58. Channel closing machine
59. Stitch-marking machine
60. Trimming cleansing machine for edges of sole and heel
(with or without nebulizer)
61. Manual trimming machine for sole and heel edges
62. Machine to remove rubber filaments caused by sanding
63. Manual ornamental ribbing machine for soles
64. Manual trimming machine for heels
65. Manual band scouring machine for sole and heel already applied Lockstitch side wall sewing machine
66. Lockstitch sole sewing machine for black work
67. Lockstitch sole sewing machine for black work
68. Lockstitch sole sewing machine for direct seam of upper and sole
69. High-speed welt sewing machine for Goodyear applications
70. High-speed outsole stitcher for Goodyear Last-fitting machine
71. Soft-roller cementing machine for soles
72. Halogenating machine for rubber soles and similar materials
73. Top lift nailing machine
74. Vulcanizing machine with autoclave incorporated in the conveyor
75. Dust exhaust and collection unit
76. Manual conveyor, push-type
77. Electromechanical conveyor with variable speed or temporized stops
78. Loading/unloading robot
79. Thermostatic cell

V) MACHINES TO PREPARE COMPONENTS AND ACCESSORIES

1. Toe Caps

- (i) Skiving machine with cutting lubrication

2. Stiffeners

- i. Wetting machine
- ii. Copying lathe to make moulds
- iii. Skiving machine with cutting lubrication
- iv. Automatic machine for skiving, stamping and knurling
- v. Machine to finish edge pitching of leather board material
- vi. Rolling machine
- vii. Rough scouring machine, wheeled, with pad
- viii. Dual station manual pre-forming machine

- ix. Automatic heel sock performing machine
- x. Heel sock cementing machine
- xi.** Heel sock drying oven
- xii.** Raw materials

3. Insoles

- (i) Automatic insole cutting machine
- (ii) Machine for sandwich cutting of insole heel sock
- (iii) Hole making machine for insoles to seat straps (sandals)
- (iv) Insole grooving machine for notches to seat straps
- (v) Skiving machine for fiberboard
- (vi) Machine to fit metal shanks to board shanks
- (vii) Cementing machine with or without dryer
- (viii) Cementing machine for insole edges
- (ix) Cementing and stamping machine
- (x) Plating-shaping machine
- (xi) Silk-screen printing machine for decoration of cleaning insole, Insole to board shank assembly machine
- (xii) Press of performing insole
- (xiii) Profiling and pitching trimming machine (with or without sharpening machine)
- (xiv) Folding machine
- (xv) CAD system for heel designing and engineering
- (xvi) CAM system to make sample heels

4. Heel

- (i) Guillotine cutter for leather bands
- (ii) Machine for covering and pressing cork and leather heels
- (iii) Machine for pressing the anterior part of heel
- (iv) Machine to make holes and C-line of heel breast
- (v) Machine to cut heel performs off strips
- (vi) Evening and roughing machine
- (vii) Lift flaring machine
- (viii) Sanding machine for leather-covered heels
- (ix) Rough-scoring machine for heel coverings
- (x) Machine to spread adhesive into lifts
- (xi) Press to assemble lifts
- (xii) Machine to cement heel covers and heels
- (xiii) Automatic heel and heel covers cementing and assembling machine
- (xiv) Double cementing machine for intermediate components(coverings for heels)
- (xv) Pre-trimming machine for no leather heels

- (xvi) Heel pre-trimming machine
- (xvii) Heel digging machine
- (xviii) Automatic abutting digging machine
- (xix) Heel decorating machine
- (xx) Spraying machine with or without device for leather stripes effect
- (xxi) Automatic machine for heels milling, inclination and depth making
- (xxii) Transfer for full heel working
- (xxiii) Vertical dryer
- (xxiv) Tool sharpening machine

5. Sole

- (i) (CAD-CAM) working center for soles making
- (ii) Die-cutting, marking machine (automatic type)
- (iii) Blade-type pre-evening machine
- (iv) Roughing leveling machine
- (v) Buffing-scouring machine
- (vi) Manual pre-trimming machine
- (vii) Automatic pre-trimming machine
- (viii) Trimming machine for soles or foam half soles
- (ix) Edge trimming machine
- (x) Trimming machine to make anti-slip lines
- (xi) Roughing machine
- (xii) Edge roughing and growing machine
- (xiii) Heel seat roughing machine
- (xiv) Roughing machine for half sole
- (xv) Halogenating machine for rubber soles and similar materials
- (xvi) Stamping machine to print brand and number
- (xvii) Stamping machine for identification through processing cycle
- (xviii) Decorating machine for stitch separation and grooving
- (xix) Topside cementing machine with soft roller
- (xx) Cementing machine with pressure roller, for pre-finished sole edge
- (xxi) Pressurized tank for cement spreading with gun and brush
- (xxii) Workbench with adhesive spraying system (water-based and polyurethane adhesive)
- (xxiii) Injection press for top pieces
- (xxiv) Sole edge cementing machine
- (xxv) Welt attaching machine
- (xxvi) Welt chamfering at the beginning and at the end of application
- (xxvii) Managed rotation performing machine
- (xxviii) Halogenating machine for rubber soles and similar materials
- (xxix) Stamping machine to print brand and number

- (xxx) Stamping machine for identification through processing cycle
- (xxxii) Decorating machine for stitch separation and grooving
- (xxxiii) Topside cementing machine with soft roller
- (xxxiii) Cementing machine with pressure roller, for pre-finished sole edge
- (xxxiv) Pressurized tank for cement spreading with gun and brush
- (xxxv) Workbench with adhesive spraying system (water-based and polyurethane adhesive)
- (xxxvi) Injection press for top pieces
- (xxxvii) Sole edge cementing machine
- (xxxviii) Welt attaching machine
- (xxxix) Welt chamfering at the beginning and at the end of application
- (xl) Managed rotation performing machine
- (xli) Managed rotation edge-setting machine
- (xlii) Scouring machine for sole grain side
- (xliii) Scouring machine, sole edges and welt
- (xliv) Scouring machine to profile heels and soles
- (xlv) Press to fit welt or mid-sole to sole
- (xlvi) Press for heel-sole fitting
- (xlvii) Automatic heel nailing machine for pre-finished shoe
- (xlviii) Connection rotary belt
- (xlix) Sole turning belt
- (l) Automatic collector
- (li) Loading/unloading robot
- (lii) Sole-holder swivel for cement drying
- (liii) Vertical dryer
- (liv) Electromechanical conveyor with variable speed or temporized stops
- (lv) Manual conveyor, push-type

6. Leather Welt

- (i) Machine to square various material brands
- (ii) Machine to blunt joints
- (iii) Roughing machine
- (iv) Channeling machine
- (v) Machine to prepare welts for Goodyear application
- (vi) Grooving machine
- (vii) Stitch separating machine
- (viii) Cementing machine
- (ix) Seam press
- (x) Sewing machine for decorations
- (xi) Stitch-separating machine
- (xii) Automatic spraying machine

- (xiii) Machine to wrap and count meters
- (xiv) Automatic cementing-winding machine for welt (with counter)

- (xv) Raw materials

VI) STRIPS, EDGINGS, MIGNON

1. Perforating machine
2. Cutter up to 1600 mm port
3. Spiral strap cutter
4. Piece cutting and measuring machine
5. Strip cutter and multiple winding machine
6. Roller cutter
7. Seam press
8. Seam and band skiving machine
9. Through-feed skiving machine
10. Cementing machine
11. Top side edge cementing machine
12. Machine to cement for mignon
13. Oven
14. Forming machine
15. Winding spooling machine
16. Braiding machine for n-items
17. Automatic programmable machine to weave materials (leather and synthetic materials)
18. Folding machine for edgings - Mignon
19. Edge inking machine
20. Machine to weld mignons and possible decoration by spraying molten material
21. Machine to weld spread adhesive on plasticized fabric rolls
22. Strip collector
23. Coil trestle

VII) ACCESSORIES-DIE CUTTER

1. Pattern circumference measuring machine
2. Punching machine (for saddles and steel strips)
3. Equipment to applying piercing devices and prick
4. Broaching machine
5. Shears for steel or iron
6. Chafing machine with copy

7. Final clicking press
8. Folding machine
9. Belt grinder
10. Drilling machine
11. Marking machine
12. Notch indicator
13. Plotter to write and engrave
14. Varnishing tank
15. Edging shear for shaping the steel
16. Sharpening machines
17. Welding bench
18. Sundry accessories

VIII) ACCESSORIES

1. (Electric) furnace to melt alloys
2. Centrifuging machine (with automatic cycle)
3. Transfer for centrifugal casting
4. Buckle tongue making machine
5. Vulcaniser
6. Vibrator with automatic unloading
7. Welding machine
- (i) Mould cooling table
- (ii) Moulds for clips
8. Work bench
9. Exhaust bench for buckle and costume jewelry makers
10. Enameling plant

IX Lasts

1. Machine to make plastic blocks
2. Digitizing for electronic lasts copying
3. NC roughing machine
4. Mechanical roughing machine
5. Milling machine for last seat
6. Thimble drilling machine
7. Thimble driving machine
8. Machine to make plated seats
9. Dust and chip suction
10. Plating bench with vices
11. Pneumatic hammer-Iron plate cutter
12. Machine to pound and fit the steel plate to last
13. Double gauge for checking fitting and length

14. Equipment to check last structure
15. Tool sharpening machine
16. Extruder for closing last moles
17. Flashing tunnel
18. Roughing-finish machine for models

X) MACHINES FOR SYNTHETIC MATERIAL

1. Injection machine for thermoplastic materials (rigid or expanded) and thermoplastic elastomers (rigid or expanded), linear, to make soles
2. Injection machine for thermoplastic materials (rigid or expanded) and thermoplastic
3. elastomers (rigid or expanded), rotary, to make soles
4. Injection machine for thermoplastic materials (rigid or expanded) and thermoplastic elastomers (rigid or expanded), linear type, for full plastic items
5. Injection machine for thermoplastic materials (rigid or expanded) and thermoplastic elastomers (rigid or expanded), rotary, for full plastic items
6. Machine for direct injection onto uppers of rubber, linear
7. Machine for direct injection onto uppers of rubber, rotary
8. Machine for direct injection onto uppers of PUR, rotary
9. Machine for direct injection onto uppers of PUR, linear
10. Open-mould PUR pouring machine, linear, to make soles
11. Open-mould PUR pouring machine, rotary, to make soles
12. EVA moulding machine for thermoforming, fixed type
13. Rubber moulding machine, fixed, to make soles
14. Automatic injection machine, fixed for thermoplastic material to make top lifts and half soles
15. Automatic injection machine, rotary for thermoplastic material to make soles, heels and wedges
16. Automatic injection machine, rotary for compact thermoplastic material to make top lifts with metal nails
17. Automatic injection machine, fixed for compact thermoplastic material to make heels, top lifts, soles, wedges, stiffeners and toe caps
18. Automatic injection machine, fixed for thermoplastic material to make heels, wedges and top lifts with metal inserts
19. Automatic injection machine, rotary, for (compact and expanded) thermoplastic materials, to make leather-covered heels and wedges and items with metal inserts
20. Automatic injection machine, rotary, for compact thermoplastic materials for the production of insoles with plastic shanks injected
21. Roughing robot
22. Cement spreading robot
23. Machine for straight-into-upper vulcanizing of rubber soles
24. Compression-type vulcanizing press for soles

25. Compression-type vulcanizing press for boots
26. Manual trimming machine
27. Trimming robot
28. Extruder for multicolor rubber foxing (PVC, TR, rubber) welt extruders, one and two-colours
29. Mould patterns
30. Moulds

3. LIST OF MACHINES FOR LEATHER GARMENT INDUSTRY

1. Flat bed drop feed single needle
2. Flat bed drop feed double needle.
3. Post bed single needle – lower end needle feed
4. Post bed double needle – lower end needle feed
5. Button holing machine.
6. Bar taking machine
7. Pocket welting machine
8. Eyelet button hole machine
9. Electronic pattern sewing machine (computerized)
10. Octagonal knife cutting machine
11. Basting machine
12. Cylinder bed sewing machine
13. Decorative stitching machine
14. Fusing machine
15. Thread burners

4. LIST OF MACHINES FOR LEATHER GOODS

I) MACHINERY

1. Splitting M/c
2. Skiving M/c Standard
3. Skiving M/c Equipped with joint Skiving Kit
4. Clicking M/c
5. Spray Gluing M/c
6. Strap Cutting M/c
7. Logo Stamping M/c
8. Straight Edge Folding M/c
9. Vertical Edge Dyeing & Polishing M/c
10. Button Riveting M/c with dies for different sizes of Buttons, Rivets & Eyelets
11. Frame Fixing M/c
12. Piping M/c
13. Sewing M/c Flat Bed
14. Sewing M/c Cylinder Bed with attachments
15. Sewing M/c Post Bed
16. Sewing M/c Twin Needle (Disengagable)
17. Sewing M/c Heavy Duty for Thick Stitching
18. Sewing Machine Zig Zag
19. Stitch Flattening M/c
20. Interlocking M/c
21. Heat Setter
22. Flat Plating M/c
23. Brushing & Finishing M/c
24. Spares for Machinery

II) CAD SECTION

1. Computers with 21" Colour Monitors & CD Writers
2. Colour Printers
3. Flatbed Cutter and Plotter
4. Software - Corel Draw, Adobe Photoshop, Auto CAD 3D MAX
5. Digital Camera
6. Scanner

5. LIST OF MACHINES FOR SADDLERY

| S.N. | MACHINE NAME |
|-------------|---------------------------------------|
| 1 | Edge trimming m/c |
| 2 | Automatic edge inking m/c |
| 3 | Pneumatic strap end scarfing m/c |
| 4 | Blade sharpening and end thinning m/c |
| 5 | Clicking m/c pneumatic |
| 6 | Splitting m/c |
| 7 | Strap cutting m/c |
| 8 | Stamping m/c |
| 9 | Edge grinding and finishing m/c |
| 10 | Cementing (gluing) |
| 11 | Hot air thread burner |
| 12 | Hot creasing m/c |
| 13 | Double eyeleting m/c |
| 14 | Riveting m/c |
| 15 | Automatic hole punching m/c |
| 16 | Edge folding m/c |
| 17 | Clicking m/c (hydraulic) Swing Arm |
| 18 | Hole punching m/c |
| 19 | Sewing m/c manual (Flat bed) |
| 20 | Skiving heavy duty m/c |
| 21 | Sewing m/c manual (Cylinder arm) |
| 22 | Sewing m/c single Needle cylinder bed |
| 23 | Sewing m/c double Needle cylinder bed |
| 24 | Sewing m/c single Needle Flat bed |
| 25 | Sewing m/c double Needle Flat bed |
| 26 | Sewing m/c (Pneumatic) |
| 27 | Skiving m/c |
| 28 | Clicking m/c (Hydraulic) Beam press |
| 29 | Embossing m/c (Hydraulic) |
| 30 | Traveling head clicking press |
| 31. | Double Eyeleting m/c |
| 32 | Double Feed Riveting m/c |

Application Form for Assistance under

INTEGRATED DEVELOPMENT OF LEATHER SECTOR SCHEME

(To be submitted in triplicate, Photocopies may be used)

1. Name of the Firm/Company _____
2. PAN Number _____
3. Name of sole proprietor/partners/directors _____

4. Office Address _____

Phone _____ Fax _____
E-Mail _____
5. Factory Address _____

Phone _____ Fax _____
E-Mail _____
6. Date of incorporation/commencement of production _____
7. Item/s of manufacture _____
- (a). Type of Industry Tannery Footwear Component Footwear Leather Goods
 Leather Garments Composites Others (specify)
- (b) NIC No/s (as per NIC Code 1987)

8. (a) Existing capacity

(b) Capacity proposed/achieved after modernization

9. Past performance (for three years on the basis of audited balance sheets)

(a) Financial position

(Rs. in lakh)

| | | Financial year (Y-1) | Financial year (Y-2) | Financial year (Y-3) |
|-----|---|----------------------------|----------------------------|----------------------------|
| I | Net block | | | |
| II | Current assets | | | |
| III | Current liabilities | | | |
| IV | Term Loan | | | |
| V | Share Capital | | | |
| VI | Reserve and surplus (less accumulated losses) | | | |
| VII | Net worth – (V+VI) | | | |

(b) Working results

(Rs. in lakh)

| | | Financial year (Y-1) | Financial year (Y-2) | Financial year (Y-3) |
|-----|---|----------------------------|----------------------------|----------------------------|
| I | Total sales | | | |
| II | Gross Profit (before interest and depreciation) | | | |
| III | Depreciation | | | |
| IV | Interest | | | |
| V | Operating Profit | | | |
| VI | Net Profit (after tax) | | | |

10. (a) Details of machines covered under the scheme

(In case of imported machines the cost should be given in foreign currency and rupee equivalent). (A separate annexure may be given)

| Sl.No. | Make, Description & Specification of machines | Quantity | Unit cost (as per quotation / supply proforma invoice) | Source of supply | Total cost |
|--------|---|----------|--|------------------|------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

(b) In case, machines have been procured already, then date of sanction of loan/Date of order for machines in case of self financing

(c) Estimated Sales and excise tax _____

(d) Estimated cost of freight and transportation and insurance _____

(e) Estimated custom duty _____

Total (c)+(d) +(e) _____

11. Total cost of scheme (as approved by Bank/FIs) _____

12. Total sources of funding (as approved by Banks/FIs) _____

Term loan _____

Add share capital _____

Internal cost accruals _____

13. Brief Description of the Modernization Initiative and Expected Results : A separate note may be attached relating the Scope of planned work to the objectives of the Scheme.

14. Time frame for completion _____

15. Employment (in man days)

(a) Existing

(b) Proposed

(c) Total :

16. Incremental benefits from implementation of scheme (Indicate in terms of capacity utilization, increased sales, exports, reduction in cost of production, increase in productivity, quality Upgradation, attainment of pollution standards. Give quantitative results).

DECLARATION

We, hereby declare that the information given above and the statements and other papers enclosed are to the best of our knowledge and belief true and correct.

Place:

Date :

Signature:

Name and Designation:

Recommendations of the Bank/Financial Institution/SIDBI

1. It is to certify that to the best of our knowledge the above statements are correct.
2. The concern has been sanctioned a term loan of Rs..... for undertaking modernization programme. (Indicate if self financed)
3. The total cost of machines eligible for assistance for Rs.....
4. In terms of provision of scheme Rs..... is recommended for financial assistance under the scheme.
5. It is also certified that assistance received under the scheme will not be adjusted towards dues of the bank/FI and will be credited into borrowers account and will be adjusted towards component of loan earmarked for machines eligible for assistance under the Scheme.
6. Following documents are enclosed :
 - (a) Appraisal memorandum
 - (b) Letter of sanction (in case of Bank Loan)

Place:

Signature

Date:

Name and designation of
Bank/FI official

**Quarterly Report on
Performance of units accorded assistance under
Integrated Development of Leather Sector Scheme**

Report for the Quarter ... _____

| | | |
|----|---|--|
| 1. | Name and address of the industrial undertaking (i) Location of the Unit. (ii) PAN Number | |
| 2. | Date of approval of grant under IDLS scheme | |
| 3. | Date of commencement of production of the unit. | |
| 4. | Items of manufacture (i) NIC No/s. (specify item's code as define under NIC,1987 (ii) Existing capacity (iii) Total capacity after modernization. | |
| 5. | (a) Amount of financial assistance sanctioned by DIPP (in Rs.). (b) Total cumulative Investment in Plant & | |

| | | | |
|----|--|--|---------------------------------|
| | Machinery for modernization | | |
| 6. | Status of completion of modernization process | | |
| | (a) Due date of Completion of modernization. | | |
| | (b) Whether progress as per schedule, if not reasons for delay and expected date of completion of modernization. | | |
| 7. | Working results | As on previous reporting period (last quarter) | As on the present report period |
| | (a) Total Production i) In Quantity ii) In value | | |
| | (b) Total sales i) In Quantity ii) In value | | |

DECLARATION

Declared that the information above are true and correct to the best of our knowledge and belief.

(Signature of Authorized person)

Place :

Name -----

Date :

Designation -----