

GUIDELINES OF THE MEGA LEATHER CLUSTER SCHEME

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| 1. | BACKGROUND |
| 1.1 | The Leather Industry holds a prominent place in the Indian economy. This sector is known for its consistency in high export earnings and is among the top ten foreign exchange earners for the country. It is an employment intensive industry, providing jobs to about 2.5 million people, mostly from the weaker sections of the society, with women holding more than about 30% share. |
| 1.2 | The Indian leather industry is bestowed with an affluence of raw materials as India is endowed with 21% of the world's cattle & buffalo and 11% of the world's goat & sheep population. Added to this are the strengths of skilled manpower, innovative technology, increasing industry compliance to international environmental standards, and the dedicated support of allied industries. |
| 1.3 | Inspite of the above, India accounts for only 2% of the world's leather sector exports while China has emerged as the largest exporter of leather and leather products and Vietnam accounts for 5% of the world leather exports. One of the main reasons for the development of the leather industry in China has been the encouragement by the Government for traditional cluster development, which ensures that all supporting industries are co-located in nearby areas, ensuring rapid product development and lower freight costs. Apart from the emphasis on building large scale manufacturing facilities, they have achieved economies of scale through the "co-existence model" of operations, where a number of small factories operate on large factories' job orders- they are geared for smaller orders, thus enabling the larger factories to pick up large volume orders with significantly high variations. This is largely due to the cluster model of operations where distances are small, enabling transfer of material and know-how at minimal cost. |

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| 1.4 | <p>The leather industry in India has vast potential for further growth, both in the domestic market and in the export arena and can create additional employment opportunities for about 1 million people in the next 5 years. However, in order to achieve this growth, the sector has to go in for extensive capacity expansion. There is a need to enhance the scale of production and capacity of the Indian leather industry in order to meet the requirements of bulk procurers and to compete in the international market. Considering the limitations of space in the existing clusters, there is a need to develop new Mega Leather Clusters in the States where there is a major presence of the leather industry and also in States that offer very good potential for development of the leather industry. Such Mega Leather Clusters should be located on/near the National/State Highways and should have world-class infrastructure and very good connectivity with the ports.</p> |
| 1.5 | <p>The Indian leather industry is predominantly concentrated in the MSME segment and is operating on low profit margins on account of fierce competition in the international market. Considering the low risk-taking capacity of the existing entrepreneurs, it may be difficult to attract investments in large quantities unless the government also participates in the creation of infrastructure in a big way. The concept of Mega Leather Clusters seeks to address the constraint of large infrastructure with integrated production chains in the country.</p> |
| 2. | OBJECTIVES AND STRATEGY |
| 2.1 | <p>The major objective of developing Mega Leather Clusters is to create world-class 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. In brief, these mega clusters will assist the entrepreneurs to set up world-class units with modern infrastructure, latest technology, and adequate training and Human Resource Development (HRD) inputs.</p> |

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| 2.2 | <p>The broad objectives of the Mega Leather Cluster approach would be to enhance the competitiveness of the clusters in terms of increased market share and ensuring increased productivity by higher unit value realization of the products. The Mega Leather Clusters will build a supply system that would be geared to respond to large-scale orders, adhering to quality and product standardization, which are pre-requisites for accessing the global markets. The development of Mega Leather Clusters would help in creating additional employment opportunities, particularly for the weaker sections of society.</p> |
| 2.3 | <p>The Mega Leather Clusters may host production units of all segments namely footwear, footwear components, leather goods (including gloves), leather garments & saddlery & harness items. The Mega Leather Clusters would specially cater to the requirements of medium, small and micro industrial units and would have special facilities to promote the production, raw material and marketing linkages for traditional artisans in the Leather Sector.</p> |
| 3. | SCOPE OF THE SCHEME |
| | <p>It is proposed to develop greenfield Mega Leather Clusters in the States having large concentration of leather units and also in States having potential for growth of the leather sector. It is anticipated that the MLCs will be established in the areas like Andhra Pradesh, Bihar, Jammu & Kashmir, Himachal Pradesh, Madhya Pradesh, Maharashtra, Punjab/Haryana, Rajasthan, Tamil Nadu, Uttar Pradesh, in North East and West Bengal in view of the labour advantage and raw material availability. The scheme will be demand driven and the exact locations will be identified on receipt of DPRs from the Industry with diagnostic study. Such clusters will be located on or near the National/ State Highways and will have world-class infrastructure and good connectivity with the Ports. The maximum timeframe for complete establishment of each Mega Leather Cluster shall be 5 years.</p> |

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| 4. | PROJECT COMPONENTS |
| 4.1 | <p data-bbox="277 264 711 296">LAND DEVELOPMENT COST</p> <p data-bbox="277 333 1349 478">The cluster should have a minimum area of 40 acres and the land development cost will include secured compound wall, wire fence and site development.</p> |
| 4.2 | <p data-bbox="277 516 573 548">INFRASTRUCTURE</p> <p data-bbox="277 590 1349 898">a. Core infrastructure: Road Network, power supply including installation of Captive Power Plant, Water supply system, Water storage with rain harvesting facility, Storm Water Drainage and Sewage lines, Streetlights, Secured compound wall/wire fence, Solid waste disposal plant/ Common Effluent Treatment Plant, Signages, landscaping and entry-exit gate and parking facilities.</p> <p data-bbox="277 936 1349 1402">b. Social Infrastructure: Common Facility Centre which include Warehouse, Trade/ Display/ Exhibition/ Convention/ Information Centre, Design Centre, Craft Based Resources Centre, Hostel with Dormitory, Raw Material Bank and Additional Common Facilities like Communication Network (including broadband service), Administrative Building, Fire Fighting Station. Provision for Post Office, Health Centre and Primary School may be made by resorting to dovetailing with other Government of India/State Government schemes</p> <p data-bbox="277 1440 1349 1535">c. Production Infrastructure: Ready-to-use Factory Sheds with plug-in facility for machinery/equipment.</p> <p data-bbox="277 1572 1349 1822">d. HRD and Social Infrastructure: Training Centres, Recruitment Centre, Workflow Training Centre, Classroom with LCD Projector, Library, Recreation Centre, Workers' Hostel, Faculty Room, Creche & Canteen, Labour Restroom and Management Consultancy Centre.</p> |

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| | <p>e. R&D Infrastructure: Product Design & Development Support Centre, Testing Laboratory, Quality Benchmark Centre, Material Research, Basic Product Technology Research, Pre-competitive Collaborative Research and Market Research.</p> <p>f. Export services related infrastructure: Clearing Agents, Customs/ Central Excise/ Service Tax offices and DGFT liaison office.</p> |
| 4.3 | <p>CAPACITY BUILDING</p> <p>Common marketing efforts, branding, technology sourcing, skill development, quality & environmental certification and exercise of best practices as per international standards & such other developmental initiatives can be undertaken, which are aimed at improving the capacity of the units in the clusters.</p> |
| 4.4 | <p>ENGINEERING AND CONSTRUCTION SUPERVISION; PROJECT DEVELOPMENT AND EXECUTION CONSULTANCY</p> <p>a. If it so desires, the SPV implementing the project can appoint consultants/contractors in a fair and transparent manner to help in the design and development of the project. The project cost would include the cost of hiring engineering and construction supervision consultants engaged by the SPV, through a transparent process, for the purpose of undertaking detailed designing, engineering, bid management and construction supervision of the project as well as the cost of installation/experts engaged by SPV towards advisory, financing and other need based services for conceptualization, development and execution of the project. The cost on this activity should be limited to the extent of 3% of the cost of infrastructure as given above and will be funded from within the project implementation cost. All contract fees will be paid on lump sum basis and not on percentage basis. In order to ensure timely completion of the project, the SPV will obtain appropriate</p> |

performance guarantee from consultants/contractors.

b. The consultants appointed by the SPV should have been engaged in at least 1 project of the same size, 2 projects of half of the size and at least 3 projects of the 40% of the size of the project in the last 5 years. Engineering and design consultant must have rich experience in civil and environmental engineering apart from qualifications in the relevant field.

4.5 OTHER EXPENDITURE

Any other expenditure shall mean pre-operative expenses on diagnostic study and statutory expenses for incorporation of the SPV.

5. PATTERN OF ASSISTANCE

5.1 The total Project Cost for the purpose of the Mega Leather Cluster sub-scheme shall comprise the cost on account of Land development, Infrastructure, Capacity Building and Engineering and Construction Supervision, Project Development and Execution Consultancy. GoI assistance can be upto @ 70% of the Project Cost, subject to the limitations as follows, depending on the total land area of the MLC:

(a) MLC of 40-60 acres land- GoI assistance limited to Rs 50 crore;

(b) MLC of 61-100 acres land- GoI assistance limited to Rs 70 crore;

(c) MLC of 101-150 acres land- GoI assistance limited to Rs.105 crore;

(d) MLC of more than 151 acres land- GoI assistance limited to Rs 125 crore.

5.2 **Component wise ceiling for GOI assistance will be as follows:-**
(Rs in crore)

| Sl. No. | Component | %age of component | 40-60 acres | 61-100 acres | 101-150 acres | More than 151 acres |
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| | 1. | Land Development & Core Infrastructure | 27% | 13.50 | 18.90 | 28.35 | 33.75 | |
| | 2. | Common Facilities & Additional Common Facilities | 52% | 26.00 | 36.40 | 54.60 | 65.00 | |
| | 3. | HRD/Training Infrastructure | 6% | 3.00 | 4.20 | 6.30 | 7.50 | |
| | 4. | Research & Development Infrastructure | 10% | 5.00 | 7.00 | 10.50 | 12.50 | |
| | 5. | Other Need Based Infrastructure | 1% | 0.50 | 0.70 | 1.05 | 1.25 | |
| | 6. | Project Implementation Cost | 4% | 2.00 | 2.80 | 4.20 | 5.00 | |
| | | Maximum GOI contribution permissible | | 50.00 | 70.00 | 105.00 | 125.00 | |
| 5.3 | The SPV/industry will have to bring in the land for the project at its own cost. Preference would be given to those proposals where State Government offers land free of cost or on nominal value. | | | | | | | |
| 6. | IMPLEMENTATION METHODOLOGY | | | | | | | |
| 6.1 | Special Purpose Vehicle | | | | | | | |
| | (i) | Each Mega Leather Cluster project will be implemented by a Special Purpose Vehicle (SPV). The SPV shall ordinarily be a company registered under the Companies Act, 1956 formed by the stakeholders, particularly a group of willing entrepreneurs (minimum being 7 legally independent companies) that are engaged in leather tanning, manufacturing of leather goods and components and other activities associated with leather industry and who intend to set-up production units in the proposed Mega Leather Cluster. (An industrial unit means a separate and distinct entity assessable to tax under the provisions of the Act having a separate Permanent | | | | | | |

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| | <p>Account Number). Any other structure of SPV would require approval of Empowered Committee. Majority of the equity shall be held by the Leather & Leather Goods Manufacturers. The net worth of each of the entrepreneurs or legally independent units has to be at least Rs 1 crore and the combined net worth of the seven promoters forming the SPV should be at least Rs 10 crore. The share of any individual/group of entities shall be less than 25% of equity of SPV to ensure widely spread ownership and to preclude domination.</p> <p>(ii) The shareholding/member enterprises taking/holding stake in the SPV shall be legally independent entities without any related party relationship with each other as described under Accounting Standard (AS) 18 of the Companies (Accounting Standard) Rules, 2006.</p> <p>(iii) The SPVs will also have as Director on their Boards, at least one representative each of the Central Government, State Government, Financial Institutions advancing credit to the SPV, owners of industrial plots, ready-to-use factory sheds, operator / maintainer of common facilities and also the Regional Chairman of CLE. SPV will enter into an MOU with State and Central Government.</p> |
| 6.2 | Role of Special Purpose Vehicles: |
| | <p>(i) The SPVs will prepare Detailed Project Reports (DPR) covering technical, financial, institutional and implementation aspects, based on diagnostic studies carried out by them. This DPR would clearly establish the expected outcome of each of the interventions, which should be measurable alongwith a PERT chart showing activity/component wise timelines. The SPV would:</p> <ul style="list-style-type: none"> - Conceptualize, formulate, achieve financial closure, implement and manage the infrastructure. |

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| | <ul style="list-style-type: none"> - It will procure the land and, after developing the infrastructure, it will allocate sites or work-sheds to industry for setting up the units. - It will also mobilize funds, other than Government Grants, to execute the project. - It will also facilitate securing bank finance required for setting up units in the Mega Leather Cluster. - It will obtain all necessary clearances, including environmental clearances and quality standards. - The SPV would be responsible for maintaining the utilities and infrastructure created for the Mega Leather Cluster. It would be empowered to collect service and user charges to recover costs and future expansion. It has to be so structured as to be self-sustaining with a positive revenue stream. <p>(ii) The SPV for each cluster will sign an MOU with Government of India and the State Government concerned. The SPV shall be responsible for coordinating the implementation of each of the components of the project. The SPV should follow the principles of open tender for awarding all the contracts for the execution of the Mega Leather Clusters scheme as per GoI Policy on e-Procurement & e-Payment.</p> |
| 6.3 | Land / shed allocation by SPVs |
| | <p>(i) The Department of Industrial Policy & Promotion shall prepare a common set of rules (in the nature of a template) for allocation of ready-to-use sheds and land in the Mega Leather Clusters in consultation with the stakeholders in order to have consistency and transparency in allotment.</p> <p>(ii) Within the framework of the above set of rules, the SPV will draft a transparent & judicious policy for allocation of Industrial plots/ready</p> |

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| | <p>to use factory sheds; and fixation of user charges for common facilities and services.</p> <p>(iii) SPV will also constitute a Standing Committee for the implementation of the above said policy. The Standing Committee constituted for the purpose should invariably include the representatives of Central Government, State Government and Financial Institutions and all the decisions should be taken through an open, transparent process.</p> <p>(iv) The area allocated or to be allocated to production units shall not be less than 50% of the total allocable area</p> <p>(v) The area allocated or to be allocated for Marketing infrastructure should not be more than 10% of the total allocable area</p> <p>(vi) No industrial unit along with the associated enterprise shall occupy more than 25% of the allocable area earmarked for production units.</p> <p>(vii) 100% of the ready-to-use sheds and at least 50% of the allocable land area should be allotted only to Micro and Small Enterprises.</p> <p>(viii) Except in the case of Land provided on lease, the SPV, while allocating land to the Industrial Unit, will transfer land through registered sale deed. In case of lease (which should be available with the SPV for at least 30 years), the allocation should be for coterminous tenure.</p> |
| 6.4 | Project Management Consultants (PMC) |
| | <p>(i) Recognizing the fact that these projects would require extensive project development efforts, DIPP will engage the services of a professional agency as PMC, which has proven experience in developing, financing appraising and executing industrial cluster infrastructure in the implementation of the scheme, right from the stage of approval of DPR to commissioning of the project. The</p> |

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| | <p>Project Management Consultant would be appointed by open competitive bidding and the Department would pay the fees out of the earmarked project implementation cost for the sub-scheme. Fee would be decided on lump sum basis and would be released in four installments i.e. 25%, 25%, 30% & 20% corresponding to the release of installments to the SPVs.</p> <p>(iii) PMC should not have any association with the SPV in any form. PMC will be appointed through open Competitive Bidding and shall have no conflict of interest with the SPV or any consultant appointed by the SPV. This aspect will be highlighted in the Legal Agreement (MOA) signed between Government of India and SPV/PMC. Non-compliance of the clauses contained in this MOA by SPV/PMC will attract penal provisions as contained in the Agreement itself.</p> |
| 6.5 | <p>Role of the Project Management Consultant</p> |
| | <p>The PMC will assist the Department in:</p> <ul style="list-style-type: none"> - The monitoring of the implementation of the Mega Leather Cluster scheme, - Technical & Financial appraisal of the proposal/DPR - Setting milestones for monitoring the project at the time of approval of the project itself, - Devising suitable monitoring and evaluation mechanism for the projects under the scheme, - Periodical monitoring of the progress of the projects - Providing other need based advisory services to the Government in effective implementation of the scheme and - Ensuring timely completion of project(s) as determined by the Department. |

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| 6.6 | Role of State Government: | | | | | | | | | | |
| | <p>The role of the State Government is envisaged in providing all the requisite clearances, wherever needed, for setting up the Mega Leather Cluster and providing the necessary assistance for power, water and other utilities to the Mega Leather Cluster; assisting in identification and procurement of suitable land. The State Government may consider providing land free of cost or at nominal cost for the establishment of the Mega Leather Clusters. The State Government agencies such as Infrastructure/Industrial Development Corporations may also participate in the projects by way of subscribing to the equity of SPV or by providing grants. An MoU will be signed by the State Government with the Central Government to provide flexible and conducive labour environment and consider special facilities like exemption of stamp duty for the units located in the Mega Leather Cluster, dovetailing of other related schemes for overall effectiveness and efficiency of the project apart from extending incentives available under related industrial promotional policies. In order to facilitate proper coordination, State Governments would be requested to participate in the SPV.</p> | | | | | | | | | | |
| 7. | APPROVAL PROCESS | | | | | | | | | | |
| 7.1 | Empowered Committee | | | | | | | | | | |
| | <p>The Department will constitute an Empowered Committee under the chairmanship of Secretary (IPP) having representative of other Ministries and Departments. The composition of the Empowered Committee is as under:-</p> <table border="1" data-bbox="280 1591 1352 1850"> <tr> <td data-bbox="280 1591 378 1665">(i)</td> <td data-bbox="378 1591 1203 1665">Secretary (IPP)</td> <td data-bbox="1203 1591 1352 1665">Chairman</td> </tr> <tr> <td data-bbox="280 1665 378 1791">(ii)</td> <td data-bbox="378 1665 1203 1791">Financial Adviser, Department of Industrial Policy and Promotion</td> <td data-bbox="1203 1665 1352 1791">Member</td> </tr> <tr> <td data-bbox="280 1791 378 1850">(iii)</td> <td data-bbox="378 1791 1203 1850">Representative of Planning Commission not below</td> <td data-bbox="1203 1791 1352 1850">Member</td> </tr> </table> | | (i) | Secretary (IPP) | Chairman | (ii) | Financial Adviser, Department of Industrial Policy and Promotion | Member | (iii) | Representative of Planning Commission not below | Member |
| (i) | Secretary (IPP) | Chairman | | | | | | | | | |
| (ii) | Financial Adviser, Department of Industrial Policy and Promotion | Member | | | | | | | | | |
| (iii) | Representative of Planning Commission not below | Member | | | | | | | | | |

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| | the rank of Adviser | |
| (iv) | Representative of Ministry of Environment and Forests not below the rank of Joint Secretary | Member |
| (v) | Representative of Department of Animal Husbandry and Dairying not below the rank of Joint Secretary | Member |
| (vi) | Representative of Department of Rural Development not below the rank of Joint Secretary | Member |
| (vii) | Representative of Department of Commerce not below the rank of Joint Secretary | Member |
| (viii) | Representative of Ministry of MSME not below the rank of Joint Secretary | Member |
| (ix) | Chairman, Council for Leather Exports | Member |
| (x) | Chairman, Footwear Design and Development Institute | Member |
| (xi) | Director, Central Leather Research Institute | Member |
| (xii) | Representative of State Government pertaining to the State for which the proposal under Indian Leather Development Programme is being considered (not below the rank of Secretary to the State Government concerned) | Special Invitee |
| (xiii) | Representative of the organization(s) for which the proposal under Indian Leather Development Programme is being considered | Special Invitee |
| (xiv) | Experts from organizations having expertise on the proposal under Indian Leather Development Programme being considered | Special Invitee |
| (xv) | Joint Secretary (Leather), Department of Industrial Policy and Promotion | Convener |

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| 7.2 | Two stage approval process | | |
| | <p>The Empowered Committee under the Chairmanship of Secretary (DIPP) will consider/validate the findings of the diagnostic study report and the Detailed Project Report (DPR) and suggest modification, if any, for implementation. The SPV shall procure the land, wherever required, for any of the components of the project. Once the sub-scheme is notified, the individual project proposals (DPRs) under the scheme will be appraised. There would be two-stage process for approval of the projects: In-principle approval and final approval. In-principle approval for a project will be accorded by DIPP based on a Detailed Project Report (DPR) submitted by the SPV/promoters covering the major features of the proposed project including feasibility studies, location & availability of land, financial closure and development potential. Such in-principle approval will be valid for a period of 6 months from the date of approval, and it is expected that the project would be ready for final approval within this period. In case final approval is not accorded to the project within 6 months, the in-principle approval will automatically lapse, unless the Department specifically extends it.</p> | | |
| 7.3 | Project Formulation | | |
| | <p>(i) The project proposal (DPR) shall be formulated by SPV after conducting a diagnostic study of the requirements of common facility and infrastructure in the specific location, based on demand & potentiality.</p> <p>(ii) The Generic Structure of the Detailed Project Report will be as given in Department of Expenditure (PF.II Division) O.M., No.1 (2)-PF.II/03, dated 7th May, 2003 and will cover the following points:</p> <ul style="list-style-type: none"> • Context/background | | |

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| | <ul style="list-style-type: none"> • Problems to be addressed • Project Objectives • Target beneficiaries • Project strategy • Legal Framework • Environmental impact assessment • On-going initiatives • Technology issues • Management arrangements • Means of Finance and Project Budget • Time Frame • Risk analysis • Evaluation • Success criteria • Financial and economic analysis • Sustainability |
| 7.4 | Detailed Project Report |
| | <p>(i) The final Detailed Project Report will be submitted for the approval of the Empowered Committee only if the following conditions are met:</p> <ul style="list-style-type: none"> (a) Establishment & incorporation of project specific SPV (b) Procurement of requisite land by the SPV (c) Execution of shareholders agreement and other related agreements between the SPV and the members (d) Adherence to all the conditions prescribed for SPVs in these |

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| | <p>guidelines.</p> <ul style="list-style-type: none"> (e) Submission of a Master Plan for the Mega Leather Cluster with land-use earmarking complying with the conditions prescribed in these guidelines. (f) Feasibility study, financial closure report etc. (g) Timelines for completion of the park should be defined clearly identifying targets to be achieved in a timeframe (j) Establishment of project specific Trust and Retention Account (TRA), with a nationalized Bank, by the SPV. <p>(ii) Once the DPR of the project is re-submitted by the SPV and the same is vetted by the PMC, the project would be submitted for the final approval of the Empowered Committee.</p> |
| 8. | RELEASE OF FUNDS |
| | <ul style="list-style-type: none"> (i) SPV shall maintain an exclusive project specific Trust and Retention Account (TRA) with any nationalized Bank, and the funds from the Government will be released into that account only through ECS. The release of funds however, would be linked to the milestones/targets identified at the time of approving the proposal. Broadly the Government would release its share of grant-in-aid in 4 phases as per the following schedule: <ul style="list-style-type: none"> (a) 25 % (1st installment), as advance, on final approval of the project after the financial closure of the project and award of contracts by the SPV and on producing the statement of project specific TRA reflecting the proportionate contribution (i.e. 25% of the share of SPV) deposited by SPV in the TRA. (b) 25% (2nd installment) after the utilization of 2/3rd of the 1st installment and on producing the statement of project specific TRA reflecting the proportionate contribution (i.e. 25% of the |

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| | <p>share of SPV) deposited by SPV in the TRA. Utilization Certificate (UC) of the 1st installment shall be submitted by the SPV at the time of making claim for the 2nd installment.</p> <p>(c) 30% (3rd installment) after the utilization of 2/3rd the 2nd installment and on producing the statement of project specific TRA reflecting the proportionate contribution (i.e. 30% of the share of SPV) deposited by SPV in the TRA and at least proportionate expenditure has been made by the SPV out of its own fund. Utilization Certificate (UC) of the 2nd installment shall be submitted by the SPV at the time of making claim for the 3rd installment.</p> <p>(d) 20% (4th & final installment) will be released after successful completion of all the infrastructure of the project as per the approved DPR and after 50% of the industrial units in Mega Leather Cluster start their production are certified by the State Government, SPV and PMC and UC in respect of 3rd installment are produced.</p> <p>(ii) The SPVs would forward their claims to DIPP supported by documents such as Utilization Certificate in the format of GFR 19A, Pre-Receipt Bill, Surety Bond Separate accounts shall be kept by SPV for the funds released by DIPP, which shall be subject to audit by the Comptroller & Auditor General of India.</p> <p>(iii) The SPVs shall make full recovery of Operational & Maintenance (O&M) costs through user charges. The recovery by way of lease rentals shall accrue to the SPV for plough back for future expansion. No recurring grant would be paid by DIPP for establishment and O&M costs.</p> <p>(iv) In the event of an SPV withdrawing from executing a project before utilizing the Government assistance, then the SPV should</p> |
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| | immediately return the Government assistance together with the interest accrued thereon, if any. The Empowered Committee of the Department shall decide penal interest liable for any default or delay in execution of the Project | |
| 9. | PROJECT MONITORING AND EVALUATION | |
| 9.1 | Apart from the monitoring by the PMC, the Department will periodically monitor and review the progress of the projects under the scheme through Steering Committee at least once every quarter. The composition of the Steering Committee is as under:- | |
| | (i) | Joint Secretary (IPP) Chairman |
| | (ii) | Director/Deputy Secretary (Finance Wing), Department of Industrial Policy and Promotion Member |
| | (iii) | Nominee of Department of Commerce Member |
| | (iv) | Nominee of Ministry of MSME Member |
| | (v) | Director, Central Leather Research Institute Member |
| | (vi) | Chairman, Council for Leather Exports Member |
| | (vii) | Managing Director, Footwear Design & Development Institute Member |
| | (viii) | Nominee of SIDBI Member |
| | (ix) | Representative(s) of Industry (to be invited for suggestions during such meetings when policy matters relating to the Leather Sector would be discussed in the Steering Committee Meeting). Special Invitee |
| | (x) | Director (Leather), Department of Industrial Policy and Promotion Convener |
| | (xi) | Other invitees as co-opted by the Chairman |
| 9.2 | The PMC appointed by the Department will devise a concurrent monitoring and evaluation system and shall submit periodical reports / returns to the Department. | |