Integrated Development of Leather Sector (IDLS) - Guidelines

1. 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 meager 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 and 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 , modernize and increase capacity/production.

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 simultaneously encouraging entrepreneurs to diversify and set up new units in the areas as specified in paragraph 3.10 below. The scheme targets creation of positive ambience for technology up gradation , modernization and capacity creation for attaining global competitiveness through productivity gains, minimization of wastages, right sizing of capacity, cost cutting, design and development etc.

2. Eligibility Criteria

All existing units in leather and leather products including tanneries, leather goods, saddlery, leather footwear and footwear component sector having cash profits for 2 years, undertaking viable and bankable programmes on technology up-gradation on or after 29th August, 2008 are eligible for assistance. With a view to attract investment into the sector assistance for establishment of new units would also be provided. However, preference would be given to existing units. Assistance to new units would be restricted to setting up of plant and machinery. However, assistance to new units would be considered only if the project is appraised to be bankable and viable by bank providing loan in case of loan cases

and by bank in which the unit has a working capital loan account in case of self finance case.

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 29th August, 2008 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 29th August, 2008 and subject to necessary documents being filed as per format while making the application under the present scheme. The cases prior to 29th August 2008 would be governed as per the guidelines dated 3rd November, 2005 and subsequent notifications numbers 5(18)2002-Leather dated 16th March, 2006 and 5(18)2002-Leather dated 12th June, 2008

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.

2.6 New eligible units would be approved for assistance under the scheme only on submission of the copy of all the required registration, NOCs from all concerned Government Departments for setting up of the unit and when the factory building is ready for installation of plant and machinery.

2.7 The limit of Rs. 2 crore including the assistance for setting up of new units would be applicable product-line wise for each company. If a company owns no. of units in each product line i.e tanning, footwear, footwear component leather goods or is setting up a new unit in any of the product-line then financial assistance envisaged under the scheme subject to the ceiling of Rs. 2 crore would be applicable product-line wise.

3. 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 Assistance would be allowed to units for setting up of CETP under the scheme. For the purpose each unit's share in CETP would be taken as his cost in the project and 20% or 30% grant would be provided as GOI assistance under the IDLS scheme subject to the limit of Rs. 50 lakh and @ 20% above Rs. 50 lakh subject to the limit of Rs. 2 crore. However, it should be ascertained that no GOI assistance has been availed by the CETP under any other scheme of Government of India.

3.10 Installation of the following types of machinery in a unit by way of replacement of existing machinery and/or expansion or new purchases for setting up of new units 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

3.11 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 any activity/list of machineries on the advice of expert institution.

3.12 Existing units/ new units would have the option to go for single or multiple activities as mentioned above with overall assistance limit of Rs. 2 crore. Modular efforts to modernization will be permitted generally with a time interval of at least three months between applications and on the successful completion of the earlier modules of modernization. In order to enable small units to take up modernization in phases the time interval of three months between two modules of modernization would not be applicable in case of SSI units.

3.13 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. 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 small scale units) subject to ceiling of Rs. 50 lakh for technology up gradation /modernization and/or expansion and setting up a new unit. The rate of assistance would be @ 20% for all units (both SSI and Non-SSI) above Rs. 50 lakhs subject to ceiling of Rs. 2 crore. The disbursement above Rs. 25 lakh would be released in four equal annual installments. 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/setting up new units 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 landed cost of machine.

5. 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, 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 The PIUs and the nodal bank would be paid fees for their services out of the implementation charges available with the Department.

5.1.4 Awareness programmes would be held at various places to disseminate information about the scheme as and when considered necessary by the Steering Committee. The expenses for holding such awareness programme would be incurred by the Department out of the implementation charges available with the Department.

5.1.5 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 modernization programme, accord sanction of financial assistance from Government, and monitor and follow up disbursal 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 of 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). Applications can also be submitted to national/state/regional level organization as notified by the

Department from time to time. 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 Steering 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. PIU would need to certify in each case that it is technically viable and machines bought by the units are eligible as per the guidelines of the scheme. 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 would send the proposal to the bank in which the unit has a working capital account and in case the unit does not have a working capital account then the bank in which it has a current account for financial appraisal of the project. Simultaneously a copy of the project would be endorsed to the PIU for technical appraisal. The bank would forward the proposal to the concerned PIU along with its specific recommendation and appraisal note. The concerned bank would be paid fees by DIPP out of implementation charges held by the Department for carrying out financial appraisal of the applications. The Government's financial assistance would be released through SIDBI to the working capital account / current account of the unit on the basis of site inspection report of SIDBI.

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 Steering Committee would periodically review the requirement of assistance as well as disbursal for release of funds to SIDBI.

5.2.8 The assistance to the units would be released by SIDBI to the Bank Loan Account of the units in respect of loan cases and to the working capital Loan Account of the units in case of self finance cases.

5.2.9 SIDBI would release proportionate amount of assistance eligible as per the machines installed at site to the beneficiary units.

5.2.10 In view of the fact that some of the components of the project cost like bill value of machines , sales and excise tax commissioning charges approved by the steering Committee undergo revision in prices/cost because of escalation and other reasons beyond control of the beneficiary units , SIDBI is authorized to release actual cost incurred by the beneficiary units subject to eligibility conditions of the IDLS Scheme and certification of the lending agency. The total assistance released should not exceed the amount eligible as per the scheme.

5.2.11 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.

5.3 Role of PIU

1. Receive applications
2. Assigning registration numbers
3. Assess the primary eligibility criteria
4. Examine the existing facilities
5. Relating the proposed modernization to existing infrastructure
6. Checking of machines as per list and their suitability
7. Comparing the prices of machines in relation to those prevailing in the market.
8. Assessing the proposed activity in tune with the stated objectives
9. Evaluating the indicated benefits.
10. Generation of database – physical and digital
11. Preparation of Technical Appraisal Report
12. Reporting to the Steering Committee
13. Interaction with applicants, banks/FIs, SIDBI

5.4 Responsibilities of PIU

1. Applicants eligibility

2. Machines and prices
3. Technical assessment
4. Technical viability analysis
5. Database generation and maintenance
6. SSI status

5.5 Role of SIDBI

1. Assessing the financial viability
2. Examining financial documents
3. Checking SSI status
4. Calculation of grant amount
5. Entering into agreement
6. Checking the arrival of machines at site
7. Disbursal of assistance
8. Interaction with banks/ FIs / PIUs
9. Monitoring the performance for two years, after implementation

5.6 Responsibilities of SIDBI

1. SSI status
2. Balance sheet
3. Financial viability
4. Grant amount
5. Machines at site
6. Disbursal of assistance

6. 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) upto Rs. 50 lakh and @ 20% to all above Rs. 50 lakh with a ceiling of Rs. 2 crore.

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 (in the format to 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). Incase 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 disbursal 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.

Annexure -A

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. Toggling 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

Annexure- B

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
   (i) Computer aided cutting table for setting

   (ii) Shoe last thermoforming machine

6. 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,
7. High-frequency type
8. Strip cutter
9. Multi-cutting
10. Cutter for rubber bales
11. Guillotine shears
12. Roll-holder for beam press
13. Lifting platform for material in sheets
14. Roll-feeder to convey materials
15. Gripper-type feeder to convey materials
16. Plaining machine for cutting boards
17. 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
38. Automatic 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
    (i) Roughing machine for dish soles (manual and semi- automatic type)

(ii) Dryer Reactivator

42. Cement drying machine with conveyor
43. Vacuum drying and reactivating unit
44. Water based cement drying machine
45. Sole press with sector pads
46. Sole press equipped with self-shaping pads
47. Automatic press with lower water pad-box
48. Chill setter with conveyor
49. Brushing machine for the removal of remains of glue along the edge last
50. Last pulling machine
51. Heel pre-fixing machine

(i) Heel nailing machine

(ii) Gang nailing machine

(iii) Channeling machine for lasted shoes and soles

(iv) Channel opening machine

(v) Channel closing machine

(vi) Stitch-marking machine

(vii) Trimming cleansing machine for edges of sole and

heel (with or without nebulizer)

52. Manual trimming machine for sole and heel edges
53. Machine to remove rubber filaments caused by sanding
54. Manual ornamental ribbing machine for soles
55. Manual trimming machine for heels
56. Manual band scouring machine for sole and heel already applied Lockstitch side wall sewing machine
57. Lockstitch sole sewing machine for black work
58. Lockstitch sole sewing machine for black work
59. Lockstitch sole sewing machine for direct seam of upper and sole
60. High-speed welt sewing machine for Goodyear applications
61. High-speed outsole stitcher for Goodyear Last-fitting machine
62. Soft-roller cementing machine for soles
63. Halogenating machine for rubber soles and similar materials
64. Top lift nailing machine
65. Vulcanizing machine with autoclave incorporated in the conveyor
66. Dust exhaust and collection unit
67. Manual conveyor, push-type
68. Electromechanical conveyor with variable speed or temporized stops
69. Loading/unloading robot

(i) 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 machme 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 (covermgs for heels)

(xv) Pretrimming machine for no leather heels
(xvi) Heel pretrimming 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 pretriniming machine
(vii) Automatic pretrimming machine
(viii) Trimming machine for soles or foam half soles
(ix) Edge trimming machine
(x) Trimming machine to make antislip 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
(xxxi) Decorating machine for stitch separation and grooving
(xxxii) 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 machines
(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 midsole 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
11. Silicon rubber

12. Lasts
    (i) Machine to make plastic blocks
    (ii) Digitizing for electronic lasts copying
    (iii) NC roughing machine
    (iv) Mechanical roughing machine
    (v) Milling machine for last seat
    (vi) Thimble drilling machine
    (vii) Thimble driving machine
    (viii) Machine to make plated seats
    (ix) Dust and chip suction
    (x) Plating bench with vices
    (xi) Pneumatic hammer-lron plate cutter
    (xii) Machine to pound and fit the steel plate to last
    (xiii) Double gauge for checking fitting and length
    (xiv) Equipment to check last structure
    (xv) Tool sharpening machine
    (xvi) Extruder for closing last moles
    (xvii) Flashing tunnel
    (xviii) Roughing-finishing machine for models
    (xix) Moulds & dies for making plastic blocks
    (xx) Ancillary equipment for plastic block making machine
    (xxi) Machines for treating waste & scrap of plastic
    (xxii) Machinery & equipment for collection, storage & transportation of waste & scrap generated

    (xxiii) Machines for sizing of plastic blocks
    (xxiv) Machines for turning of plastic blocks both mechanical as

well as CAD/CAM including computer systems.

(xxv) Machines for making hinges
(xxvi) Machines & jigs & fixtures for fixing of hinge assembly in plastic turned block.

(xxvii) Machines for digitizing lasts by CAD/CAM including software including computer system.

(xxviii) Machines for making patterns by CAD including software & computer systems

(xxix) Machines, jigs & fixtures & gadgets to check last structure
(xxx) Machines for finishing of last both mechanical as well as CAD/CAM including software & computer system

(xxxi) Machines for preparing, fixing & finishing of iron plates on last

(xxxii) Machines for fixing thimble
(xxxiii) Machine for fixing back height
(xxxiv) Machines for repairing of lasts
(xxxv) Machines & equipments for final finishing of plastic last
(xxxvi) Machines, tools, jigs & fixtures for sharpening of tools

IX) MACHINES FOR SYNTHETIC MATERIAL

(i) Injection machine for thermoplastic materials (rigid or expanded) and thermoplastic elastomers rigid or expanded), linear, to make soles
(ii) Injection machine for thermoplastic materials (rigid or expanded) and thermoplastic
(iii) elastomers (rigid or expanded), rotary, to make soles
(iv) Injection machine for thermoplastic materials (rigid or expanded) and thermoplastic elastomers (rigid or expanded), linear type, for full plastic items
(v) Injection machine for thermoplastic materials (rigid or expanded) and thermoplastic elastomers (rigid or expanded), rotary, for full plastic items
(vi) Machine for direct injection onto uppers of rubber, linear
(vii) Machine for direct injection onto uppers of rubber, rotary
(viii) Machine for direct injection onto uppers of PUR, rotary
(ix) Machine for direct injection onto uppers of PUR, linear
(x) Open-mould PUR pouring machine, linear, to make soles
(xi) Open-mould PUR pouring machine, rotary, to make soles
(xii) EVA moulding machine for thermoforming, fixed type
(xiii) Rubber moulding machine, fixed, to make soles
(xiv) Automatic injection machine, fixed for thermoplastic material to make top lifts and half soles

(xv) Automatic injection machine, rotary for thermoplastic material to make soles, heels and wedges

(xvi) Automatic injection machine, rotary for compact thermoplastic material to make
top lifts with metal nails

(xvii) Automatic injection machine, fixed for compactor thermoplastic material to make

(xviii) heels, top lifts, soles, wedges, stiffeners and toe caps

(xix) Automatic injection machine, fixed for thermoplastic material to make heels,

(xx) wedges and top lifts with metal inserts

(xxi) Automatic injection machine, rotary, for(compact and expanded) thermoplastic materials, to make leather-convered heels and wedges and items with metail inserts

(xxii) Automatic injection machine, rotary, for compact thermoplastic materials for the production of insoles with plastic shanks injected

(xxiii) Roughing robot

(xxiv) Cement spreading robot

(xxv) Machine for straight-into-upper vulcanizing of rubber soles

(xxvi) Compression-type vulcanizing press for soles

(xxvii) Compression-type vulcanizing press for boots

(xxviii) Manual trimming machine

(xxix) Trimming robot

(xxx) Extruder for multicolor rubber foxing (PVC, TR, rubber) welt extruders, one and

(xxxi) two-colours

(xxxii) Mould patterns

(xxxiii) Moulds

Annexure-C

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 & needle feed
4. Post bed double needle – lower & 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. Octognale knife cutting machine
11. Basting machine
12. Cylinder bed sewing machine
13. Decorative stitching machine
14. Fuging machine
15. Thread burners

Annexure-D

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 Cutting Plotter
4. Software - Corel Draw, Adobe Photoshop, Auto CAD 3D MAX
5. Digital Camera
6. Scanner

Annexure-E

5. LIST OF MACHINES FOR SADDLERY

Sl.No.	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 1-Needle cylinder bed
23	Sewing m/c 1-Needle cylinder bed
24	Sewing m/c 1-Needle Flat bed
25	Sewing m/c 1-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	Clicking m/c (Hydraulic) Beam press
31	Traveling head clicking press
32	Double Eyeleting m/c
33	Double Feed Riveting m/c
34	Sewing m/c

Form:IDLS-I

Application Form for Assistance under

INTEGRATED DEVELOMENT 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 of manufacture for which modernization proposal is submitted_____

   (a) Type of Industry

   - Tannery
   - Footwear Component
   - Footwear
   - Leather Goods
   - Leather Garments
   - Composites
   - Others (specify)

   (b) Category of the unit SSI/Non-SSI

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-2)**
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-2)**
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_____

(a) 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 Descriptions of the Modernization Initiative and Expected Results: A separate note may be attached relating the Scope of planned work to be objectives of the Scheme.

14. Time frame for completion_____

15. Employment (in man days)

(a) Existing
(b) Proposed
(c) Total :

16. Incremental Benefit from the modernization initiative (give quantitative result in the given table)

Particulars	**Existing**	**Proposed**		
Capacity utilization (%)		**Y-1**	**Y-2**	**Y-3**
Increased Sales (Rs)				
Export growth (US$)				
Higher productivity (Prs, Pcs, Sq.ft)				
Employment Generation (Nos)				
Quality upgradation (% rate of process rejection)				

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: Signature:

Date: Name and Designation:

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