CHAPTER - VII

DEVELOPMENT INSTITUTIONS AND FOOTWEAR INDUSTRY
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7.0 INTRODUCTION

Various developmental institutions both at Central and state level were set up to identify specific programmes for lending support to the leather and allied industries in general and particularly to the informal sector of the footwear industry. The programmes of such organisations are aimed at improving the production, marketing, employment and socio-economic conditions of the footwear artisans. With a view to provide technical, financial and marketing assistance to the traditional footwear units and to develop and promote the footwear industry, various state Governments have set up the State Leather Development corporations. As the three field centres chosen for this study are from the States of Tamilnadu, Karnataka and Uttar Pradesh, the role of the Leather Development Corporations in these three states has been emphasised in detail in this chapter. Apart from them, the assistance provided by the Central Government organisations like Khadi and Village Industries Commission (KVIC), through the State Khadi and Village Industries Boards are discussed briefly. Further, the activities of the training institutions like Central Footwear Training centres (CFTC), Prototype Development Training Centre (PDTC) in developing technical manpower and Research & Development institutions like Central Leather Research Institute (CLRI) in promoting the industry are also brought out. Although organisations like Council for Leather Exports (CLE), Indian Institute of Foreign Trade (IIIFT) and Trade Development Authority (TDA) mainly serve
the formal sector in promoting the exports, their role in serving
the industry was also presented in this chapter.

7.1 KHADI AND VILLAGE INDUSTRIES COMMISSION (KVIC)

The All India Khadi and Village Industries Board and
subsequently the Khadi and Village Industries Commission has been
entrusted with the development of footwear industry in the
informal sector. According to the annual reports of KVIC, the
individual cobblers, the registered institutions and cooperative
societies assisted financially by the KVIC in the country have
produced Rs.3946 million worth of footwear in 1991-92 and created
employment to 4.56 lakh persons of the informal sector of
footwear units. The disbursement of finances through KVIC by way
of loans and grants has increased from Rs.614 million in 1990-91
to Rs.685 million in 1991-92.

Out of the total production value of Rs.3946 million
worth of leather footwear under the KVIC units the share of Uttar
Pradesh was 18%, Tamilnadu 12% and Karnataka 5%. In case of
employment their respective shares were 16%, 10% and 4%. It may
be noted that the three field centres of this study namely Agra,
Madras and Athani represent respectively the three states of
Uttar Pradesh, Tamilnadu and Karnataka.

As the artisans of the informal sector have only
specialised skills in footwear fabrication and lacks skills in
marketing, the KVIC has set up procurement centres to assist them
in marketing. After identifying concentrated areas of informal

1. Annual Report of Khadi & Village Industries Commission,
Bombay, 1991-92, P.93:

2. Ibid, PP.124-156.
units, the KVIC has started to procure footwear and market them through charmalaya, Khadi Gramodyog Bhavans/Bhandars, Charma Shilpas located in different towns and cities. The Bharatiya Charmodyog Sangh (BCS) a non governmental organisation registered with KVIC is one such procurement centre set up in Agra to market the shoes. Similar such centre for procurement of Kolhapuri chappals set up at Athani by KVIC is being run very successfully and profitably.

Its modus operandi is that this centre obtain orders from various retail outlets and get them manufactured through the recognised informal units. The footwear procured are then supplied to various Khadi Gramodyog Bhavans, Bhandars, Charmashilpas and KVIC registered retail outlets. Such marketing assistance provided by the KVIC has not only generated continuous and stable employment opportunities to the artisans but also removed the exploitation by the middlemen. Procurement centres are also engage in developing and introducing new designs of footwear into the market from time to time keeping in view the changing fashions of the consumers and the general market trends.

Under the dedicated and devoted guidance of KVIC the artisans of the informal sector instead of sticking on to the production of age old designs, presently shifted their production to sophisticated modern and light types of footwear for both gents, ladies and children.

The KVIC has introduced two noval schemes viz. (i) Assisting individual artisans with improved tools and working capital and (11) assisting group of artisans either forming into
cooperative societies or registered institutions. The other special schemes introduced by the KVIC in the field of footwear industry were (1) Artisan employment guarantee scheme in the state of Maharashtra, (ii) Antyodaya scheme in Rajasthan and (iii) Special Component Plan in Karnataka State.

As a result of the continued help and assistance provided by the KVIC and its constituent bodies like State Khadi and Village industries Boards, the artisans/institutions under KVIC programmes have produced an estimated 65 million pairs of footwear during 1992 in the country. 3.

7.1.1 MARKETING ASSISTANCE OF KVIC

No production activity can sustain unless it is backed by vigorous marketing activity. To assist in the marketing of footwear, setting up of procurement centres, opening of a network of KVIC recognised retail shops and setting up of sales counters in Khadi Gramodyog Bhavans and Bhandars were introduced. Such shops were named as Charma Shilpas to attract the consumers.

7.1.2 TRAINING OF ARTISANS

An important development programme introduced by KVIC is towards imparting training to the traditional artisans in the improved methods of production, use of modern techniques and improved tools. The training is offered through well equipped viable production units in footwear fabrication. The training to the rural youth is also arranged through Training for Rural Youth in Self Employment (TRYSEM) programme. The registered societies equipped with infrastructural facilities are recognised to impart training under the TRYSEM programme.


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The entire programme of the KVIC in relation to the leather footwear industry has been almost exclusively meant for the benefit of the artisans belonging to scheduled caste or those belong to the backward caste communities who are traditional engaged in this industry. The development activities of KVIC at the national level and through various state level KVIBs are discussed in detail in the following pages.

7.2 KHADI AND VILLAGE INDUSTRIES BOARDS (KVIB)

The State Khadi and Village Industries Boards with the financial aid of KVIC, the State Leather Industries Development Corporations and the State Social Welfare Departments assist the informal sector of the footwear industry in different states through various programmes as detailed below:

The Khadi and Village Industries Boards through the financial aid of KVIC provides assistance to cobblers through various schemes as shown under:

- Self-employed cobblers scheme
- Family unit of cobblers scheme
- Footwear individual entrepreneur scheme, and
- Assistance to registered institutions and cooperatives

The first three schemes mentioned are being implemented through the Khadi and Village Industries Boards of each State and the fourth scheme is directly implemented by KVIC in providing financial support to the registered institutions and cooperative societies.
7.2.1 KVIC SCHEMES CHANNELISED THROUGH TAMILNADU KVIB

SCHEME I - SELF-EMPLOYED COBBERS

This scheme is applicable to the individual cobblers who are engaged in the footwear production and repairs. During 1991-92, KVIC provided loans to 150 cobbler units through KVIB of Tamilnadu. Each unit received a loan of Rs.10,000/- of which the capital expenditure towards tools and implements was Rs.5,000/- and the balance of Rs.5,000/- towards working capital. The rate of interest is 4% and the loan is repayable within 5 years from the date of grant of loan. The total loan amount distributed in 1991-92 was Rs.15.00 lakhs in the rural areas of Tamil Nadu. The first two years are treated as loan repayment holiday and the actual repayment commences from the third year onwards.

SCHEME II - FAMILY UNITS OF COBBERS

This scheme is applicable to cobbler family units that are involved in the production and marketing of footwear. The unit that engages up to six persons are eligible for the aid. Under this scheme, in 1991-92, KVIC through the KVIB has provided loans to 100 units each getting a loan of Rs.17,000/-, of which Rs.7,000/- is towards fixed capital and tools and Rs.10,000/- towards working capital. The rate of interest is charged at 4% per annum and the loan is repayable in 5 years. The first two years are treated as loan repayment holiday and the repayment starts thereafter on instalment basis, i.e. once in a year.


SCHEME III - FOOTWEAR INDIVIDUAL ENTREPRENEURS

Introduced in 1991-92, this scheme is meant for individual entrepreneurs engaged in the production of shoes, sandals or chappals. The financial assistance admissible under this scheme per unit is Rs.75,000/-, of which the capital expenditure towards machines, tools and furniture is limited to Rs.35,000/- and the working capital assistance to Rs.40,000/-. Under this scheme, KVIC has sanctioned a total loan of Rs.3.75 lakhs in 1990-91 to five units in the state through KVIB at the rate of Rs.75,000/- per unit. The rate of interest and the repayment schedule are same as applicable to Scheme II. However, sanctioning of loan against pledged property as security under this scheme has proved as a constraint for availing the loan as most of the individual entrepreneurs don’t have physical assets to meet this stipulation.

SCHEME IV - ASSISTANCE TO REGISTERED INSTITUTIONS/SOCIETIES

KVIC provides financial assistance directly to these institutions. It provides loan ten times to that of the share capital contribution made by the society/institution. The working capital assistance would be 40% of the estimated value of the annual production and is repayable in five years.

In addition to working capital, KVIC provides a grant of 50% on fixed capital, as required for construction of the building and procurement of machinery. The repayment of the loan inclusive of 4% interest is once in a year. The first two years are treated as lean period and no repayment is insisted on. From

1990 onwards loans are being granted to registered societies/institutions having a representation of women or scheduled Caste and Scheduled Tribe community members. KVIC has introduced this scheme to promote entrepreneurship among women and weaker sections of the society.

For the purpose of proper distribution of loans the KVIC has divided the Tamilnadu State into four regions. viz. Vellore, Trichy, Tirupur and Madurai Regions. The beneficiaries under these schemes represent all the regions. The applications received for obtaining the loans are screened on the basis 'spot verification' by the Regional Technical Officers of KVIC and after satisfying themselves the loan is sanctioned to the concerned institutions/societies.

7.3 KVIC'S SCHEME ON RAW MATERIAL SUPPLY

KVIC has introduced a new scheme namely Raw Material Bank in 1992-93. The scheme is meant mainly for the benefit of the registered societies/institutions/cooperatives. KVIC sanctions the loan to produce necessary leathers such as upper, sole, lining/split leathers or procure leathers and non-leather inputs required for the footwear production. The aim is to provide the raw materials to the footwear manufacturers at a lower rate than local market rates. Under this scheme, KVIC provides Rs.30,000/- as fixed capital towards purchase of furniture, initial rent for the building and Rs.5.00 lakhs towards working capital. The KVIC provides a grant of 50% on the fixed capital expenditure. The rate of interest is 4% per annum. The loan is repayable within 5 years after treating the first two years as repayment holiday.
7.4 ROADSIDE WORK CABINS

The Tamil Nadu Khadi and Village Industries Board (KVIB) was set up in 1960 with a view to promote employment opportunities among unemployed and under-employed artisans. It implements various development schemes through different cooperatives and individuals. It receives funds from two sources viz., The Khadi and Village Industries Commission and the State Government.

Under this scheme an artisan is provided a bunk costing Rs.7500/-, a sewing machine (hand operated) and necessary tools worth Rs.2500/- free of cost. The aim of this scheme is to provide permanent workshelters to the cobblers and thereby ensuring them regular employment/stable income. The applications for cobblers' bunks from various regions are screened and selected by the Tamil Nadu Adidravidar Welfare department which is under the control of Tamil Nadu Adidravidar Housing and Development Corporation (TAHDCO). The final list of the candidates will be sent to the respective regional KVIB offices for allotment of bunks. As per the list, KVIB distributes the bunks to the individual artisans by taking an undertaking from them. The bunks are provided only to the traditional cobblers.

Upto 1989-90 the KVIB has supplied 500 cobbler bunks in Madras city whereas during 1991 about 70 were distributed to the informal artisans. Of the total bunks distributed 30 were

allotted to women. It was reported that the cobblers can earn on an average about Rs.75-100 per day per head in urban areas and Rs.30-50 in rural areas.

At the outset the beneficiaries were happy to receive the bunks as they serve as a permanent shelter to carry on their work. Belonging to the traditional cobbler community, they possess skills in manufacturing and repairing of footwear. Before getting these bunks, they were operating in the open area (roadside margin). Being exposed to the vagaries of climatic changes, their work often got disrupted. These bunks now alleviate their main problem of shelter and also provides storage space to keep their tools, raw materials and sewing machine. By operating their work under their own shelter, they have gained self-confidence and a feeling of ownership to the bunk. The beneficiaries have definitely gained a way of earning, a sustainable income, under this programme. They have also gained socio-economic status and prestige in their community.

However, the bunks provided during 1990-91 did not possess the licences from the Madras Corporation. If this is granted at the time of giving the bunk, the artisan can be saved from the harassment of corporation and police authorities. Longer the delay, higher the susceptibility of these artisans for harassment and interruption of work.

The major drawback in this scheme is that it provides only the bunk and sewing machine (although free of cost) to the artisans, and no other financial aid/loan is offered to meet their working capital nor to clear the outstanding family debts taken earlier at high rates of interest. For making these units
fully operative, to ensure regular work, self-employment and income, KVIB programmes should assess the minimum household credit needs and arrange accordingly on their own account or by developing linkages with nationalised banks. With regard to the working capital, petty loans at high rates of interest are borrowed to buy raw materials.

This scheme should be developed further to ensure that the artisans are made to utilise fully their potential to earn a sustainable income. The fact that most of the beneficiaries are urban dwellers reveals that the scheme has not spread to rural areas. The rural artisans do face problems of shelter, tools, equipment and working capital and as such this scheme should be introduced to cover the rural artisans, who remain mostly as seasonal workers.

On the basis of the above evaluation of KVIC and KVIB schemes it was found that these schemes introduced for the benefit of the artisans in informal sector are a step in the right direction although the number of beneficiaries are very few and the investment of Rs.10,000 towards the bunk and sewing machine is considered inadequate. These schemes have provided a sense of ownership and self-confidence to the beneficiaries as they work in their own shelters and make a honest living based on their skills.

7.4.1 SUGGESTIONS FOR IMPROVED FUNCTIONING OF ROADSIDE CABINS

The demand for footwear as well as footwear repair work is on the increase due to the growing population and there is a greater awareness of the footwear needs among different sections
of the society. To popularise the programme and to set up bunks at important locations in most of the urban centres for making the artisans owners of full-fledged production-cum-repair units the following measures are suggested.

The design of the bunk should be modified so as to provide adequate space for two persons to operate and enough space for stocking the raw materials and the end products.

To make the units fully operational and ensure better returns, the existing norm of Rs.10,000 should be raised to Rs.15,000 towards fixed capital and Rs.5000 for working capital. The working capital is essential to enable the artisan to procure raw materials and undertake regular production.

Along with the bunk the beneficiary should be provided necessary municipal licence to avoid threats of removal of the bunk from various agencies.

To cover large number of artisans under this programme a thorough study of urban centres seems necessary for indentifying suitable locations.

A state level plan will have to be evolved for allocation of funds to execute this programme phasewise to reach many needy workers. Along with this, a systematic training in each urban centre to enable the beneficiaries to handle the footwear fabrication and repair seems to be necessary. This can be done by a suitable agency which can run "Training on Wheels" for the benefit of artisans.
7.4.2 SUITABLE PROGRAMMES TO BENEFIT RURAL ARTISANS

The available information shows that various programmes undertaken by different agencies have not reached the rural artisans in proportion to their population. To equip better with skills and to strengthen the production and marketing base of these rural artisans, an imaginative programme is called for. Such programmes should ensure worksheds, tools, equipment, training and necessary fixed and working capital. Before implementing such programmes, a pilot project should be tried to test the benefits of this programme and also identify the problems, if any so that they can be solved in the execution of the actual programme.

7.5 JOBWORK COOPERATIVES BY THE DEPARTMENT OF SOCIAL WELFARE

The Social Welfare Department of Tamil Nadu in association with the Tamilnadu Leather Development Corporation (TALCO) and the Department of Education introduced a programme in 1987 to provide training and then to promote job work for women in footwear. Under this scheme, 38 Women Footwear Cooperatives were promoted all over Tamil Nadu, each having a membership of 50 women. The funds procured from the Central Government under Special Component Plan are routed through the Department of Education to the Social Welfare Department. Yearly, an amount of Rs.3.00 lakhs is being spent to run these societies. Two societies were started at Madras in 1987 at Arumbakkam and Rayapuram respectively.

These societies started functioning with an initial training of one month to the members. A tool kit (worth Rs.250)
and a stipend of Rs.100 was provided to each member of the society. The instructors from TALCO impart training in pasting, folding and machine stitching operations of footwear fabrication.

7.5.1 FUNCTIONING OF THE ARUMBAKKAM SOCIETY

Before setting up of the society, an awareness campaign was conducted by the Department of Social Welfare. A film prepared by TALCO on various operations involved in footwear fabrication was screened for the benefit of the artisans concentrated in Arumbakkam and Rayapuram.

Each member has to pay a minimum of Rs.10 (1 share) as share capital. This can be increased depending on the members' wishes and is linked to a thrift fund. Being a Cooperative Society, it has to follow all the rules of the State Cooperative Societies Act. This scheme is meant to benefit the artisans from Scheduled Caste (SC) and backward classes. At the time of the field survey it was observed that workers belonging to Adi Dravidar (SC), and Reddiar, Gounder, Vanniar and Labba (all backward communities) held the primary membership of the society.

Under this scheme, the members are provided with job work on piece rate basis to produce chappals for school children under the 'free chappal scheme' run by the Department of Education. In 1991-92 this society has got an order to fabricate 7,692 pairs. After obtaining the raw materials from TALCO, master cutters are engaged to cut the rexin as uppers, rubber sheets and leather boards for soles. These cut components are then distributed to the members of the society for assembling. On an average, each member is given 150 pairs for assembling in one lot. The time limit for completing the work is specified
depending on the pressure from the Department of Education. Normally one member can assemble 150 pairs in 10 to 15 days and earn about Rs.300/-.

Although these cooperative societies were started to provide employment through jobwork, they suffer from the following limitation.

Some of the members belonging to the Adi Dravidar community had no previous experience of working in footwear. They started learning after joining the society. The course content and the duration were too short to learn all the necessary operations required in fabricating different types of footwear. With this limited training the members neither succeed in getting employment in private sector nor acquired confidence to become entrepreneurs.

Transporting cut components and adhesive to their homes involved additional expenditure to the members.

Payment of wages was always delayed, as it has to come from the Department of Education.

The tool kits were not issued to the new members. Few of them have purchased at their own cost, while some others shared the tools of other members.

The income from the footwear assembling became irregular and seasonal since job work was not forthcoming regularly from TALCO/Department of Education throughout the year.
To sum up, various programmes initiated by KVIB/KVIC to informal units does not meet the total production requirements of the units as the escalating prices of material inputs are not taken into account. With regard to cottage sector, the norms of grants/loans neither based on the criteria of viability of the unit nor on the basis of the actual requirements of the investment.

As such, the various development programmes introduced to benefit the traditional artisans have not yielded all the desired results of making the units self reliant and sustainable over a long period. A new approach is called for to ensure full employment at the unit level and strengthen the competitive ability to withstand the market pressures and become self propelling and sustainable production units.

7.6 LEATHER INDUSTRIES DEVELOPMENT CORPORATION OF KARNATAKA

The Leather Industries Development Corporation of Karnataka was set up in October 1976, with a view to develop the leather and leather based industries in the state. The major activities of LIDKAR are:

1. Distribution of wayside cabins along with tool kits and petromax light to the footwear artisans.
2. Supplying necessary quality raw materials to the artisans at reasonable prices through the raw material depots.
3. Providing market assistance by procuring the footwear from the artisans.
4. Providing financial assistance for setting up of new footwear units.
5. Setting up of training-cum-production centres of footwear.

6. Setting up of workshops-cum-residential complexes for footwear artisans.

7. Participation of informal workers in trade exhibitions and displaying the footwear made by them.

8. Arranging study tours to the informal workers.

9. Sponsoring candidates from informal units for training in footwear making.

7.6.1 DISTRIBUTION OF WAYSIDE CABINS AND TOOL KITS

For the benefit of the cobblers engaged in repairing and fabrication of footwear without having any shelter on the road sides, the programme of providing wayside cabins has been taken up by LIDKAR. The LIDKAR provides the wayside cabins (Charka Kutira) and the tool kit together valued at Rs.8,500/- to the artisans at 60% subsidy and 40% on loan basis. Apart from these, a petromax light and a chair are also provided under this programme. It was reported that 4123 artisans in Bangalore, Mysore, Tumkur, Gadag, Belgaum and other towns have been assisted under this programme until 1990-91\(^8\). These cabins are normally placed in market centres after consultations with respective municipalities. The artisan can take up footwear fabrication, sales and the repairing work in the cabins. Once the cabins are allotted, the beneficiaries can work independently in a respectable manner in their own cabins. Priority in allotting a specific place to an artisan depends upon the number of years he

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has been working at that particular place. The loan amount has to be repaid by the informal workers at equal monthly instalments.

7.6.2 ARRANGING STUDY TOURS FOR THE ARTISANS

In order to motivate footwear artisans to learn and improve the modern techniques of production, study tours are being arranged by the Corporation to visit important footwear production centres like Agra, Madras, Kanpur, Calcutta and other places. The programme partly comprise visits to organisations like CFTC, PDTC, CLRI and other related institutions. Apart from leather artisans, technical staff engaged in artisan training institutes are also covered under this scheme for improving their technical standards.

7.6.3 SPONSORING CANDIDATES FOR HIGHER TECHNICAL EDUCATION

With a view to encourage students to seek higher technical education in leather processing and allied products, the LIDKAR depute candidates for undergoing training in Leather Technology, Advanced and Operational level courses of footwear production. Apart from the fee element payable to the institutions, LIDKAR also pays stipend to the candidates sponsored for such technical education.

7.6.4 SUPPLYING OF RAW MATERIALS

High cost of raw materials, transport cost involved, and the effective working time spent in procuring the raw materials are the main problems faced by the informal sector artisans. Hence, with a view to help these artisans in this regard, LIDKAR has started raw material depots although their performance is far from satisfactory.
7.6.5 PROCUREMENT OF FOOTWEAR

Marketing assistance by LIDKAR is being provided particularly to the informal footwear workers engaged in the manufacture of footwear. Footwear required by the Government Departments and State Government Undertakings have been supplied by the LIDKAR by procuring from informal units. LIDKAR has also started sales emporias in important cities and towns within and outside the state. Export promotion showrooms near airport (Bangalore), World Trade Centre (Bombay) have also been set up in collaboration with Silk/Handloom/Handicraft Corporations. Apart from this, LIDKAR is also participating in important exhibitions and leather fairs mainly to sell the footwear made by the informal units. It is also proposing to enter into export trade in Kolhapuri chappals.

7.6.6 SETTING UP OF TRAINING-CUM-FOOTWEAR PRODUCTION CENTRES

With a view to train the informal workers and to produce footwear commercially, training-cum-production centres have been started by the Corporation. 40 skilled and 12 unskilled workers belonging to Schedule Caste of Aadi Karnataka group work at present in this centre. Various types of footwear required by the Government departments, Public Sector Undertakings and for direct sales to the consumers through the emporia of the corporation are being made in the Centre. In order to provide latest designs of fast moving items of footwear, a Design Development Cell has also been set up.

7.6.7 INFRASTRUCTURAL FACILITIES

Within the framework of "Karnataka Industrial Sheds Project", the Government of Netherlands assisted the Leather
Industries Development Corporation of Karnataka in the construction of 184 living-cum-worksheds for footwear artisans in 13 centres. The criteria for selection of informal units into these sheds was on the basis of economic status and skill levels of the artisans.

Under this scheme, 48 living-cum-worksheds were constructed and allotted to footwear artisans at Kadugondanahalli, a village located 14 km away from Bangalore. Each house is well ventilated with front portion serving as work place and the rest for living.

7.6.8 CONDUCTING OF LEATHER CRAFT WEEK

In association with the Departments of Industry (District Industry centres), and Commerce, LIDKAR organises the Leather Craft Week yearly in important centres. Besides giving awards to the best craftsmen at the State level, exhibitions and seminars are also being conducted. Arranging such craft week helps in emphasising the importance of the footwear production and motivate skilled artisans to create innovative designs.

7.6.9 KARNATAKA INSTITUTE OF LEATHER TECHNOLOGY (KILT)

A three and a half year Diploma Course in leather tanning and finishing was started in 1983-84 by LIDKAR at Kadugondanahalli, Bangalore. Although the course curriculum mainly deals with leather processing technology, the footwear production and fabrication is also covered as one of the subjects.
The informal footwear units comprising individual cobblers, registered institutions and societies assisted by KVIB of Karnataka and KVIC, Bombay together account for an estimated production of 3.3 million pairs valuing at Rs.196 million in 1991-92. About 20,000 footwear artisans got the benefit of full and part-time employment in this State during the same year.

To sum up, although various development programmes were introduced by LIDKAR, KVIC and KVIB the fruits of the benefits have reached only to a fraction of the informal units. Hence, innovative schemes linking effectively the production and marketing with financial and material resources have to be formulated in a pragmatic manner for the benefit of the artisans.

**U.P. STATE LEATHER DEVELOPMENT & MARKETING CORPORATION**

The U.P. State Leather Development and Marketing Corporation (LAMCO) was set up in 1974 to promote informal and small scale sectors of the footwear industry. It is aimed at to build up a strong base by providing all assistance in financial, technical and marketing fields. This is accomplished by providing raw materials, latest footwear designs, soft loans for machines and working capital, technical know-how and shoe lasts.

The entire gamut of activities of LAMCO can be broadly divided into two categories viz. developmental and commercial. Through the developmental activities the corporation generates long term assets in the form of trained manpower and capital assets in the form of machinery. Commercial activities, comprises

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arranging the marketing support for the shoes made by the footwear units and help in securing remunerative prices for their products.

**7.7.1 TRAINING FOR THE SHOE ARTISANS**

In order to bridge the technological gap and improve the traditional skills, the Corporation provides training to the artisans of the informal sector and thus helps in increasing their productivity and quality of their end products, viz. the shoes.

**7.7.2 RAW MATERIAL SUPPLY**

Shortage and under-measurement, inadequate availability of quality raw materials and the traditional credit system (Parcha) followed are the main problems faced by the shoe makers of the informal sector in Agra and other parts of U.P. In order to overcome these problems, the LAMCO although initiated raw material supplying scheme to provide them at reasonable prices with accurate measurement to the decentralised shoe fabricators, it could not achieve its objective.

**7.7.3 DESIGN DEVELOPMENT CENTRE**

With the rapid change in the fashions, there is utmost need to have new designs to be introduced into the production system. The design development centre of the LAMCO in Agra, provides the artisans various patterns of modern designs and also develop newer designs of its own. The market research and development of newer designs and their trial in the market are the main functions of the centre.
7.7.4 SHOE LAST BANK

With the ever changing shoe designs, it is extremely difficult for the informal units to purchase and use the standard shoe lasts to produce high quality shoes. Under this scheme, the standard shoe lasts are provided by LAMCO on rent basis at nominal charges to the artisans. The services of this bank are available in important shoe producing centres in the state.

7.7.5 KAMADHENU YOJANA

The financial constraints of the artisans of the informal sector restrain them towards mechanisation. This prevents them from increasing their production and also achieving high quality standards. LAMCO arranges to provide loans for purchase of machinery upto Rs.15,000/- on hire purchase basis and also working capital of Rs.5,000/- at different rates of interest enabling them to sustain themselves in the highly competitive footwear market.

7.7.6 COMMERCIAL ACTIVITY

Under this programme, LAMCO provides market support to the footwear artisans of the informal sector, to get proper marketing outlets for their daily production. This need was strongly felt by the Corporation and hence mixing of several marketing strategies was adopted viz. providing marketing support through the Corporation retail outlets, selling through the dealers network and participating in the bulk trading. A wider and ever increasing market network of dealers and own retail outlets are being provided.

The programmes started by LAMCO namely developing of improved technical skills, provision of raw materials, newer
designs and marketing assistance towards the benefit of the informal units could not yield closer results due to the cumbersome, bureaucratic procedures followed at every stage of decision making.

7.8 **BHARAT LEATHER CORPORATION**

The Bharat Leather Corporation Limited (BLC) was set up in 1976 under the Department of Public Enterprises, Ministry of Industry, Government of India, as an apex organisation to ensure all round development and growth of leather and allied industries. The objectives of BLC include providing technical, financial and marketing assistance to various segments of the industry and more particularly to informal and small scale sectors. Its activities cover production and marketing of wide range of leather footwear/shoes and leather goods. The operations of BLC are looked after by three Regional Offices located in New Delhi, Agra and Madras. The BLC's production centres are in Agra and its retail outlets/associates are spread in the selected towns and cities of India.

7.8.1 **PRODUCTION PROGRAMME**

BLC produces high quality footwear for gents, ladies and children in its Package Assistance Scheme of units at Agra, where artisans from the informal sector of the shoe industry who have mastered the exquisite craftsmanship of age old tradition are involved. These artisans are provided with modern tools, techniques, shoe lasts, standard leather and latest shoe designs by the BLC for producing wide ranging varieties of shoes and chappals. The footwear in genuine leather, keeping abreast the
latest developments of shoe designs made by the artisans in BLC units are sold through its retail market outlets. BLC is one of the largest suppliers of uniform shoes and sandals for certain categories of government employees. Under this scheme, the traditional artisans not only master the modern skills but also get continuous employment at higher wages.

BLC by engaging the workers of the informal sector on piece rate basis, produce high quality industrial safety shoes, ankle/ammunition boots in their modern plant at Agra. These are unique in respect of upper and bottom profiles, with comfort and meeting safety requirements. BLC is the leading supplier of industrial and safety shoes to various Public Sector Undertakings such as Indian Oil Corporation (IOC), Fertilizer Corporation of India (FCI), Indian Telephone Industries (ITI), Bharat Heavy Electricals Limited (BHEL), Indian Airlines, Cement Corporation of India (CCI) and various state police and forest departments.

7.8.2 SHOE LASTS

BLC produces high quality precision wooden shoe lasts in the sophisticated and well equipped seasoning and fabrication plants in Precision Shoe Last (PSL) Factory at Agra. The BLC's shoe lasts are the best in quality and precision which ultimately decides the fitting of the shoes made either in informal sector or in factory sector.

7.9. PROTOTYPE DEVELOPMENT AND TRAINING CENTRE

The Prototype Development and Training Centre (PDTC), Madras, a unit of the National Small Industries Corporation Limited (NSIC), is mainly concerned with the development of designs and prototype machines for leather, footwear and other
products. Training of supervisory and operational level personnel for seeking employment in leather industry has also been taken up as another important activity.

7.9.1 TRAINING COURSES

PDTC is providing two types of training programmes in footwear fabrication viz.

(a) Short term course on industrial sewing machine operations;

(b) Advanced course in footwear machinery operations.

(a) Short term course on Industrial Sewing Machine Operations

Introduced in 1979, this course offers training in sewing machine and other upper closing operations for a period of 4 months. The stipend for this course is Rs.130 per month per candidate. The strength of candidates in this short term training course is 10 members and in each batch 4 or 5 candidates are women. This course which was originally started only for women had to be extended to men as the response from women candidates had been inadequate.

For entry into this short term course, the candidates should reach the age of 18 and not exceed 35 years. The maximum age limit of 35 years is fixed mainly to facilitate married women from single headed households to join this course. The minimum educational level for the short term course is a pass in VII standard. According to the teaching staff, this course enables many women to get jobs in leather footwear industry with a mere VIII standard qualification. The recent trend indicates that women from other communities (including Brahmins, a forward
community) are also coming forward to undergo this training apart from men.

As a practice, the candidates after training, obtain recommendation letters from the Incharge of Training and with the help of it seek employment. Many of them have acquired placements in footwear units. During the training, some trainees having sewing machines at home, pick up skills very fast and get acquainted with stitching operations. They naturally fair better in the interviews compared to others at the time of seeking employment. They enter as table workers or machine stitchers, depending on the demand and their efficiency. The salary at the entry level for the table workers is Rs.400/- per month and for machine stitchers is Rs.600 per month.

The limitations of the courses offered by PDTC are that the artisans from rural areas are not able to avail this training programme because of the lack of hostel facilities and inadequacy of the stipend. Moreover, employment opportunities after training do not exist in the rural areas because of the absence of footwear production activity. Since the course content is limited, the candidates can handle only a few operations in which they are trained. As such, they cannot be employed in the full shoe making units but absorbed only in the shoe upper making units.

(b) Advanced Course in Footwear Machinery Operations

The advanced course in footwear which was started in 1988 offers training for men. The duration is 2 years and Rs.400 per month is paid as stipend during the first year and Rs.450 in the second year. The minimum qualification for entry into this
course is X standard and the age of the candidate should not be less than 18 years. A minimum of two years experience in any footwear factory or a proof of training in any short term course in footwear from any recognised institute are considered as necessary in addition to the X standard to get admission into this course.

7.9.2 REASONS FOR OPTING THE TRAINING PROGRAMME

* The respondents expressed that they could not get any suitable jobs with their lower educational qualifications. So with the training in PDTC, they could get jobs in footwear units.

* Those who were not in the dire necessity of going for jobs, came for the training programme to spend their time usefully as they were school dropouts.

* Few of the trainees had been attracted by the monthly stipend offered during the training period.

7.9.3 LIMITATIONS OF THE TRAINING PROGRAMME

* The training provided in machine stitching is not comprehensive when compared to the latest technological changes. These trainees on their first appointment in the factories are being treated as helpers for a specific period and then only promoted as sewing machine operators. But, the trainees concede that PDTC training help them to pick up the skills in the factories at a quicker pace compared to freshers.
The four months training programme in general has equipped the trainees to become skilled operators and those completed advanced course have become supervisors. Some trainees have started their own footwear units at a smaller production scales.

7.10 CENTRAL FOOTWEAR TRAINING CENTRES

The production of leather footwear in the informal sector and to some extent in small scale sector is carried out by traditional artisans using out-moded tools and equipments, resulting in sub-standard products. The standard and quality is generally poor due to lack of (i) knowledge in modern techniques (ii) up-to-date tools equipment and machinery and (iii) scientific production/training.

Further, due to insufficient know-how of the problems of organisation, management, costing and sales techniques, use of low quality raw materials and lack of training, the industry is lagging behind. To overcome these problems the Central Footwear Training Centres (CFTCs) of Madras and Agra functioning under the Small Industries Service Institute (SISI) of the Ministry of Industry, Government of India were set up in 1950 with the following objectives:

(1) To provide intensive training and higher technical skill in modern methods of footwear production.

(2) To create a class of technical, administrative, supervisory personnel trained in modern methods in organisation, cost accounting, rationalisation of better equipment and work methods.
(3) To introduce simple and yet efficient modern machinery, hand tools in footwear units.

(4) To utilise efficiently and properly the indigenous materials like synthetic soles, grindaries and their substitutes, and

(5) To impart training in specific programmes in the design development to meet the growing internal and export demand.

7.10.1 ADVANCED TRAINING COURSE IN FOOTWEAR TECHNOLOGY

These centres equipped with essential machines now offers only 18 months "advanced course in footwear technology" apart from "adhoc training programmes". Two programmes which were in vogue (6 months machine operator course and one year designer course) were discontinued recently. Two batches of students each for every six months are being admitted into the advanced course. The course covers 5 months training in designing, 1 month in clicking, 5 months in upper closing, 1 month in bottom closing and 6 months in finishing operations including study tour and final examination. Every year, a batch of 40 trainees in each centre are admitted in April and the next batch in October.

7.10.2 ELIGIBILITY

Candidates aspiring for admission should pass 10+2 Higher Secondary School level examination and they should be within 20 to 30 years. Age relaxation exists in case of Scheduled Caste (SC) and Scheduled Tribe (ST) candidates. Until the introduction of policies for liberalisation of Indian economy in the first quarter of 1992, a stipend of Rs.200/- per trainee was
paid. Subsequently the stipend was withdrawn and a fee of Rs.9,000/- was charged per candidate. Presently, to get admission into the advanced course, practical experience is not insisted upon which was compulsory in the earlier years.

In addition to advanced course, adhoc training programmes are being undertaken as and when the requests are received from the industry. The duration for each programme is 3 months at a stretch.

7.10.3 JOB OPPORTUNITIES

It is reported that all trainees on completion of the course have been able to get employment and within 5 years they reach executive level in general. Trained personnel from these centres are in good demand as reflected from the fact that the campus interviews are being conducted by reputed footwear manufacturing companies to recruit supervisors before the course is completed.

7.11 CENTRAL LEATHER RESEARCH INSTITUTE

The Central Leather Research Institute (CLRI), a premier Research and Development Institute on Leather and Leather Products was set up in Madras in the year 1953, as one of the National Laboratories under the Council of Scientific and Industrial Research. Apart from conducting research on different branches of science and technology relating to leather and allied products, leather chemicals and auxiliaries, CLRI in collaboration with the University of Madras introduced a 5 year degree course in Leather Technology for the benefit of the then nascent tanning industry. In course of time, M.Tech. programme in leather was introduced. Consequent to the transfer of all
technical courses from the Madras University to the newly started Anna University with continued linkage with CLRI, the leather technology course is being run by the new University. The duration of the course is now 4 years for B.Tech. course (since 1980) and 18 months for M.Tech. course. Subsequently, in 1988 a post-graduate course in Footwear Science and Engineering was also introduced. By 1990-91, 588 candidates in B.Tech. (Leather), 150 in M.Tech. (Leather) and 21 in M.Tech. (Footwear Science and Engineering) were passed and all of them were absorbed by the industry at different capacities.

By commissioning the Computer Aided Design Centre (CAD) first of its kind in the country, for creative designing of footwear coupled with pilot facilities for footwear fabrication, the CLRI has joined the select club in the footwear world. The CAD has made footwear designing creative and appealing, efficient and rapid, economic and easy and interactive between the designer and consumer. The Computer Aided Design Centre also has expertise in shoe last design and shoe comfort analysis.

The Footwear Pilot Plant of the CLRI has facilities for pattern generation and grading, shoe upper fabrication, unit soles preparation and cemented shoe construction. All these activities are highly sophisticated and most modern to suit to the interest of the dynamic footwear exporters. May be in the long run, the decentralised sector may also make use of these facilities. CLRI is a multi disciplinary research organisation with a very broad base covering a wide range of activities namely developmental, research and promotional. Hence, it is very
difficult to review or evaluate all the activities of this quaint organisation in this brief session. However, an effort has been made to provide necessary information relevant to this study.

7.12 FOOTWEAR DESIGN DEVELOPMENT INSTITUTE

The Footwear Design Development Institute (FDDI), New Delhi, under the Ministry of Commerce, Govt. of India, established in the latter half of 1980s mainly aims at:

(1) To develop human resources and infrastructure for the export of footwear

(2) To improve productivity and quality. Swayam Siddha Programmes (self paced learning) for shop and floor level workers.

(3) To publish manuals on product knowledge, the art of hand folding and machine operations.

(4) To impart training to managerial, supervisory personnel and

(5) To run series of operator level courses in collaboration with the leading footwear industrialists.

7.13 COUNCIL FOR LEATHER EXPORTS

The Council for Leather Exports (CLE), Madras of the Ministry of Commerce, Govt. of India, is the leading export promotional organisation in the country having its regional offices in Bombay, Delhi, Kanpur and Calcutta. The major activities of CLE in the export front are:

* Organising buyer-seller meets

* Sponsoring foreign trade delegations

* Providing information on the supply and demand for various leather products including footwear
Serving as a bridge between the industry and government and other institutions

Publishing periodicals on trade directions

Arranging visits to overseas experts under bilateral and multilateral programmes of cooperation

Organising seminars/workshops on the export promotional subjects

Training of technical manpower and designers with the assistance of international agencies like United Nations Industrial Development Organisation (UNIDO)

Participating in the International Trade Fairs

Organising export market development programmes

Conducting overseas market research for identifying the potential markets for the Indian leather and allied products.

All these above stated activities although mainly related to the exporters of leather and leather products of small scale and large scale sectors, the CLE is indirectly helping the informal footwear workers who are involved as contract workers in the small scale footwear units of Agra and other centres.

The other organisations like State Trading Corporation (STC) and Trade Development Authority (TDA) also involved in identifying the technically competent and commercially viable footwear production units and arrange commercial contacts with the potential foreign buyers and facilitate their contracts for long term exports.
CONCLUSION

To serve the leather footwear industry and its export cause specific programmes are drawn and implemented by various organisations in the country. The Khadi and Village Industries Commission on its own and through the respective State Khadi and Village Industries Boards, the Bharat Leather Corporation, the State Leather Development Corporations are involved to assist the informal sector of the footwear industry by way of supplying modern tools and techniques of production, finance and work cabins, supplying raw materials and procurement of end products, disbursement of long term loans at concessional rate of interest. All these developmental programmes initiated by the above mentioned organisations could not achieve the desired results in promoting the informal sector units. The success stories of Charmalaya (Athanäl) and Bharateeya Charmodyog Sangh (Agra) are mainly due to the commitment, devotion and dedicated work of the officials in these centres. Excepting these two procurement centres all other programmes are proved to be more on records than implementing them effectively. The locational bias, cumbersome bureaucratic procedures delays in decision making, the inbuilt weaknesses prevailing in the administrative system are some of the factors of hindrance in implementing the programmes.

The Central Footwear Training Centres, the Prototype Development and Training Centre, the Footwear Design Development Institute, the Central Leather Research Institute are engaged in running various training programmes at different levels and to transfer the technology through demonstrations.
Thus various Institutions listed above are assisting the footwear industry in their respective specialised fields. While all these organisations render services in their own pattern, an integrated programme and its implementation seem necessary to achieve the balanced growth of the industry in different sectors and regions of the country.