

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
RAJYA SABHA**

**UNSTARRED QUESTION NO. 704.
TO BE ANSWERED ON FRIDAY, THE 05TH DECEMBER, 2025.**

FOOTWEAR AND LEATHER INDUSTRY

704. SHRI RAGHAV CHADHA:

Will the Minister of **Commerce and Industry** be pleased to state:

- (a) the details of the contribution of footwear and leather sector in the country's export during each year since 2020;
- (b) whether footwear and leather sector has so far been benefited from the FTAs being signed by the Union Government with various countries;
- (c) if so, the details thereof; and
- (d) the details of the steps taken by the Union Government and industry to boost footwear and leather sector of Punjab?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI JITIN PRASADA)**

- (a): The details of export of leather, leather products and footwear during the period 2014-15 to 2024-25 are given below-

Product	2014-15	2015-16	2016-17	2017-18	2018-19
Export in Million USD	6,502.41	5,862.61	5,646.85	5,742.43	5,690.65

Product	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Export in Million USD	5,093.29	3,682.40	4,872.60	5,260.93	4,694.62	4,830.33

- (b) & (c): Free Trade Agreements (FTAs) are entered into with the concerned trading partner countries primarily with the aim to increase the bilateral trade by enlarging the scope of market access and build on the trade complementarities for increasing trade and investment, thereby providing enhanced export potential, generating benefits for industry, farmers, MSMEs and creating job opportunities. FTAs are negotiated with the endeavour to deliver a comprehensive, balanced, broad-based and equitable agreement based on the principle of fairness and reciprocity. It also ensures a level playing field for Indian exporters vis-à-vis their competitors in the trading partner countries.

- (d): The Central Government has approved the Central Sector Scheme ‘Indian Footwear and Leather Development Programme (IFLDP)’ with an allocation of Rs.1700 crore till 31.03.2026 or till further review, whichever is earlier. The scheme aims to lead to development of infrastructure for the leather and footwear sector, address environment concerns specific to the leather and footwear sector, facilitate additional investments, employment generation and increase in production.

The Government is implementing IFLDP with its 6 sub-schemes to strengthen the Footwear and Leather Sector in the country and not specifically for the State of Punjab.

Sustainable Technology and Environmental Promotion (STEP) is one of the sub-schemes of IFLDP, to provide financial support to leather clusters to meet the prescribed pollution control discharge norms. Under the scheme, 70% funding support of the total project cost is provided, subject to a limit of Rs.200 crore. In order to address the environment concerns related to Leather Industry in Punjab, a project under the STEP scheme has been approved by the Government with total project cost of ₹28.64 Crores involving Government Assistance of ₹20.04 Crores.

Integrated Development of Leather Sector (IDLS) is one of the sub- schemes of IFLDP, aimed at enabling the manufacturing units to upgrade themselves leading to productive gains, right-sizing of capacity, cost cutting, design and development and employment generation simultaneously encouraging entrepreneurs to diversify and set up new units. Under the sub- scheme, assistance is provided for technology upgradation /modernization and/ or expansion and setting up a new unit with a maximum limit of ₹15 crore. Micro, Small & Medium Enterprises (MSMEs) are assisted at 30% of the cost of eligible plant and machinery, while other units are assisted at 20%. MSMEs in the North Eastern Areas receive assistance at 40% of the cost of eligible plant and machinery, while other units in these areas are assisted at 30%. Additionally, an extra 5% financial assistance on the cost of plant and machinery is provided for domestically manufactured machinery. Furthermore, in the state of Punjab, 60 units have been provided financial assistance of ₹27.28 Crores under the sub-scheme.
