

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

**UNSTARRED QUESTION NO. 369.  
TO BE ANSWERED ON TUESDAY, THE 22<sup>ND</sup> JULY, 2025.**

**EXPORT OF LEATHER PRODUCTS**

**369. DR. RANI SRIKUMAR:**

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

**वाणिज्य एवं उद्योग मंत्री**

- (a) the details of the current status of the proposed PLI scheme for toys, leather, and footwear products announced by the Government for implementation;
- (b) the details of Tamil Nadu's current contribution to India's leather and leather products exports and the target enhancement under the proposed incentive scheme;
- (c) the proposed scheme benefit Tamil Nadu's traditional leather manufacturing clusters in Tamil Nadu;
- (d) whether the technology upgradation support is being planned to help Tamil Nadu's leather manufacturers adopt sustainable production processes under the Government schemes, if so, the details thereof; and
- (e) the expected timeline for finalizing the leather and footwear incentive scheme and the anticipated budgetary allocation for Tamil Nadu-based manufacturers?

**ANSWER**

**वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)**

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

- (a):** It is to state that, there is no PLI Scheme for the toys, leather, and footwear products and as such there is no action ongoing/pending in this regard.

However, in the Union Budget speech for the financial year 2025-2026, new scheme has been announced for footwear and leather sector aiming to enhance its productivity, quality and competitiveness of India's footwear and leather sector through support to design capacity, component manufacturing, and machinery required for production of non-leather quality footwear, besides the support for leather footwear and products.

Similarly, new scheme for toy sector has been announced in the speech aiming to make India a global hub for toys by focusing on development of clusters, skills, and a manufacturing ecosystem that will create high-quality, unique, innovative, and sustainable toys.

**(b) to (e):** Tamil Nadu (TN) contributed a share of 35.17% in total export of leather, leather products and footwear from India during the year 2024-25, as detailed below.

Product	Export from TN Mn USD	Export from India Mn USD	% share of TN
FINISHED LEATHER	217.44	445.32	48.83%
LEATHER GOODS	233.48	1319.6	17.69%
LEATHER GARMENTS	98.05	353.82	27.71%
FOOTWEAR OF LEATHER	915.37	2007.76	45.59%
LEATHER FOOTWEAR COMPONENT	166.31	244.17	68.11%
SADDLERY AND HARNESS	5.48	205.39	2.67%
NON LEATHER FOOTWEAR	62.45	252.91	24.69%
<b>TOTAL</b>	<b>1698.59</b>	<b>4828.97</b>	<b>35.17%</b>

Source : DGCI & S

The Central Government has approved the Central Sector Scheme 'Indian Footwear and Leather Development Programme' (IFLDP) for the period 2021-26 with a total outlay of Rs. 1700 Cr. through six sub-schemes which provide support for modernization, capacity expansion and technological up-gradation of production units or setting-up of new units in the footwear and leather sector. Under Integrated Development of Leather Sector (IDLS) sub-scheme of IFLDP, financial assistance to the extent of 40% of cost of Plant and Machinery is provided to the Micro, Small & Medium Enterprises (MSMEs) units and 30% of cost of Plant and Machinery to other units established in North Eastern Areas; and the financial assistance is 30% of cost of plant and machinery to Micro, Small & Medium Enterprises (MSMEs) units of other areas and 20% of cost of Plant and Machinery to other units, subject to a ceiling of Rs.15 crore. In addition to this, 5% additional financial assistance of the cost of plant and machinery is provided for the domestically manufactured machinery. Till date, 73 applications have been approved with the total Government of India (GoI) assistance of Rs.30.50 crore in the state of Tamil Nadu.

Under Sustainable Technology & Environmental Promotion (STEP) sub-scheme of IFLDP, financial assistance is provided to leather clusters for establishment / expansion / up gradation of CETPs to meet the prescribed pollution control discharge norms, including techniques for hazardous waste management. Under this sub-scheme, assistance upto 80% of the total project cost for North Eastern Areas and 70% of the total project cost for other areas subject to a limit of Rs.200 crore is provided. As on date, project proposals of the 7 Common Effluent Treatment Plants (CETPs) operating in the leather tannery sector in Tamil Nadu have been approved for upgradation of the plants, involving combined total project cost of Rs.202.64 crore and GoI grant is Rs.141.84 crore. The details are as below:

S. No	CETPs	Total Project Cost (Rs. Crore)	GOI Grant Approved (Rs. Crore)
1	PERTEC, Pernambut, Tamil Nadu	9.75	6.82
2	THUTHIPET, Ambur, Tamil Nadu	8.49	5.94
3	MALIGAITHOPE, Ambur, Tamil Nadu	5.30	3.71
4	RANITEC, Ranipet, Tamil Nadu	52.68	36.88
5	VANITEC, Vaniyambadi, Tamil Nadu	14.22	9.95
6	SIDCO Phase-I, Ranipet, Tamil Nadu	59.58	41.71
7	PALLAVARAM, Nagalkeni, Tamil Nadu	52.62	36.83
	<b>Total</b>	<b>202.64</b>	<b>141.84</b>

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