

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

**UNSTARRED QUESTION NO. 4111.
TO BE ANSWERED ON TUESDAY, THE 17TH MARCH, 2026.**

IMPROVING MARKET ACCESS

4111. SHRI NAVASKANI K:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Government has taken measures to develop the country's large domestic market to its optimum potential and to expand the reach of Indian products and services across global markets;
- (b) whether any strategy has been formulated to strengthen domestic demand, improve market access, logistics, quality standards and export competitiveness;
- (c) whether the Government is aware that Tamil Nadu, with its strong manufacturing base, MSMEs, agri-processing and export-oriented industries, has significant potential to contribute to both domestic and international markets;
- (d) if so, the details thereof;
- (e) the steps taken to support enterprises in Tamil Nadu through infrastructure development, cluster-based support, export facilitation and access to finance;
- (f) whether any sector-specific initiatives have been undertaken in the State to integrate local producers with national and global value chains, if so, the details thereof; and
- (g) the measures being taken to enhance market outreach, branding and trade promotion for products originating from Tamil Nadu?

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) & (b):** The Government has taken various initiatives to develop the country's large domestic market, supporting retail demand, improving market access, stimulating overall economic growth, improving ease of doing business, strengthening India's export competitiveness, enabling an ecosystem for skill development and job creation and promoting infrastructure and urban development. Some of the initiatives are given below:
- i. Department for Promotion of Industry and Internal Trade (DPIIT) implements schemes for overall development of industrial sector such as Make in India, Start-up India, PM GatiShakti, National Industrial Corridor Programme, Production Linked Incentive (PLI) Schemes, promoting Ease of Doing Business (EoDB) and reducing compliance

- burden, Business Reform Action Plan (BRAP), National Single Window System (NSWS), India Industrial Land Bank, Project Monitoring Group (PMG), liberalization of FDI policy, Indian Footwear and Leather Development Programme (IFLDP) Schemes and Initiative of Promotion of Geographical Indication etc. Additionally, skilling programs and regulatory reforms created a flexible and efficient workforce, enhancing India's overall competitiveness in the international arena.
- ii. Free Trade Agreements (FTAs) entered into with concerned trading partner countries have a primary aim of increasing bilateral trade through enlarging the scope of market access, securing duty reductions and to build on the trade complementarities for increasing trade and investment, thereby providing enhanced export potential and overall economic growth benefit to all the stakeholders. The Government recently concluded FTA negotiations with New Zealand and the European Union on 22nd December, 2025 and 27th January, 2026 respectively. Also, India and the United States of America have announced on 7th February 2026 that the USA and India have reached a framework for an Interim Agreement regarding reciprocal and mutually beneficial trade (Interim Agreement). Brief features of recent FTAs are provided in **Annexure-I**. For certain selected products, to meet domestic industry and consumer demand, limited market access has been provided and imports are regulated through restricted and monitored Tariff Rate Quotas (TRQs) and other safeguard mechanisms, including Minimum Import Price, Seasonal windows and linked Agricultural Productivity partnerships for assisting farmers boost agricultural productivity. This approach ensures national interest while simultaneously boosting India's participation in global value chains.
 - iii. A Scheme for Export Promotion Mission (EPM) has been approved with the objective of strengthening India's export competitiveness and providing targeted support to exporters, with particular focus on Micro, Small and Medium Enterprises (MSMEs). The Mission operates through two integrated sub-schemes:
 - NIRYAT PROTSAHAN, focused on improving access to trade finance through instruments such as interest subvention, export factoring, collateral guarantees for export credit, credit for e-commerce exporters, and credit enhancement support; and
 - NIRYAT DISHA, focused on other trade enablers such as export quality and compliance support, international branding and packaging, market access initiatives, export logistics & warehousing, and trade intelligence.
 - iv. Bureau of Indian Standards (BIS), the erstwhile Indian Standards Institution (ISI), was declared the National Standards Body of the country by BIS Act, 2016. The Standardization activity is undertaken through 17 Division Councils, and more than 400 Sectional Committees comprising more than 17,000 domain area experts covering diversified sectors like Civil, Mechanical, Electrotechnical, Chemical, Food, Electronics and IT etc. To formulate the quality standards, BIS prepares an Annual Programme of Standardization (APS) at the beginning of each financial year, based on multiple rounds of consultations with Ministries/Departments, industries, industry associations, BIS licensees, and other stakeholders and inputs from Standards National Action Plan (SNAP). The APS outlines both new subjects to be undertaken for standardization during the year and existing standards to be reviewed.

(c) to (g): Industry is a state subject. However, Central Government comes out with several initiatives and policies from time to time to promote industrialisation in various parts of the Country, including the State of Tamil Nadu. The Union Government supplements the efforts of the State Governments through various schemes launched by it with a view to promote industries. Some of the measures are as under:

- i. "One District One Product (ODOP) is an initiative by the Department for Promotion of Industry and Internal Trade (DPIIT) with the aim to select, brand, and promote at least one product from each district of the country for enabling holistic growth across all regions. The selection of ODOP products is undertaken by the respective State/Union Territory (UT) Governments. The State Government of Tamil Nadu has identified 55 ODOP products (38 Primary, 15 Secondary, 02 tertiary products) from 38 districts of Tamil Nadu. Several steps have been undertaken to promote and enhance the visibility of products identified under the ODOP initiative. These steps include; facilitating participation in domestic and international exhibitions, capacity building initiatives in collaboration with various agencies; e-commerce on-boarding drives for Government e-Marketplace (GeM)- ODOP Bazaar which showcases and stocks India's best ODOP products. For promoting ODOP at international level, engagement with Indian Missions abroad, virtual buyer sellers meet and participation in international exhibitions have been undertaken.

The States/UTs are encouraged to establish PM Ekta Mall (Unity Mall) for the promotion and sale of ODOP products, Geographical Indication (GI) products, and other handicrafts from across the country. Department of Expenditure (DoE) has approved Detailed Project Reports' (DPRs) of 27 States including Tamil Nadu. For Tamil Nadu, DoE has allocated a budget of ₹ 223 crores for construction and operation of PM Ekta Mall at Chennai under the 'Scheme for Special Assistance to States for Capital Investment 2023-24 (SASCI) Part- VI (Unity Mall). The Government of Tamil Nadu has informed that it has included ODOP under its FaMe TN (Facilitating Micro, Small and Medium Enterprises (MSMEs) of Tamil Nadu) scheme. The policy supports ODOP producers, artisans, and MSMEs through financial assistance, skill development, infrastructure support, and market access initiatives to promote district-specific products. Assistance includes packaging development, barcoding, QR codes, EPC/RFID, branding, and marketing under PM-FME. Financial support is provided through subsidies for SME Exchange fund raising, participation in international trade fairs, and marketing assistance to MSME associations.

- ii. Department of Commerce under its Market Access Initiative (MAI) scheme has been providing financial support to various Export Promotion Councils (EPCs) and Trade Bodies engaged for organizing and participating in Trade fairs, Exhibitions, Buyer Seller Meets etc.

- iii. The Department of Commerce is also implementing a scheme namely 'Trade Infrastructure for Export Scheme (TIES)', a Central Sector Scheme w.e.f. F.Y. 2017-18, with the objective of assisting Central and State Government agencies in the creation of appropriate infrastructure for growth of exports. Under the scheme, financial assistance in the form of grant-in-aid is provided to Central/State Government owned agencies for setting up or up-grading export infrastructure. The Scheme is for the period of 2021-22 to 2025-26 with a total outlay of Rs. 360 crore. Details of completed/ongoing projects in Tamil Nadu approved under the TIES are placed at **Annexure-II**.
- iv. The Government of India has approved the Central Sector Scheme 'Indian Footwear and Leather Development Programme (IFLDP) with an allocation of Rs.1700 crore for the period 2021-26, concluding on 31st March, 2026. 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 projects approved under 6 sub-scheme of IFLDP for the state of Tamil Nadu is placed at **Annexure-III**.
- v. The Ministry of MSME is implementing the International Cooperation (IC) Scheme, under which financial assistance is provided on a reimbursement basis to eligible Central/State Government organizations and industry associations. This support facilitates the participation of MSMEs in international exhibitions, fairs, and buyer-seller meets abroad, and in organizing international conferences and seminars in India.
- iv. The Districts as Export Hubs (DEH) initiative identifies products with export potential in each district, addresses supply-side constraints, and supports capacity building of local producers/exporters.
- vi. The Trade Connect ePlatform is being improved upon regularly to provide comprehensive digital interface that connects Indian exporters with Indian Missions abroad, as well as domestic trade promotion bodies, to offer support services and address trade-related queries.

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF THE LOK SABHA UNSTARRED QUESTION NO. 4111 FOR ANSWER ON 17.03.2026.

Brief features of recent FTAs :

- India-European Union (EU) FTA: Preferential Market Access on 96.8% of tariff lines which covers 99.5% of India's exports. 90.7% of exports (by trade value) to the EU to become duty-free on entry into force of the Agreement.
- India–United States trade framework (announced 7 February 2026) with United States: India and the US have reached a framework for an interim agreement regarding reciprocal and mutually beneficial trade. The U.S. will provide preferential market access to Indian goods, including textile and apparel, leather and footwear, plastic and rubber, organic chemicals, home décor, artisanal products, certain machinery, etc. Subject to the conclusion of the Interim Agreement, the U.S. will reduce additional tariff on India to 0% on a wide range of products, such as gems and diamonds, aircraft parts, generic pharmaceuticals, certain machinery and parts, vegetable saps, certain instruments and apparatus, certain plastic and rubber, certain auto parts, etc
- India–Oman Comprehensive Economic Partnership Agreement (CEPA): India has secured 100% duty-free market access for its exports, covering 98.08% of Oman's tariff lines, representing 99.38% of India's export value. Prior to the FTA, Oman's tariff in the agriculture sector averaged 9%.
- India - UK Comprehensive Economic and Trade Agreement (CETA) provides an unprecedented duty-free access to almost 99 per cent of India's exports to the UK, covering nearly 100% of the trade value. All zero-duty concessions come into effect with entry into force. India's major exports—from labor-intensive sectors like textiles, gems & jewellery, leather and footwear, organic chemical, artisanal products, and ceramics to high-value goods like auto parts, machinery, pharmaceuticals, and processed foods have gain with zero-duty access to the UK.
- India–New Zealand FTA: New Zealand will provide 100% duty-free market access on all tariff lines, including agri-processed products, marine products, dairy products and other rural livelihood-based products from the entry into force of the agreement. Before this, Indian Exports faced duties upto 10% in labour-intensive sectors.
- India–EFTA Trade and Economic Partnership Agreement (TEPA): India has secured a binding commitment from EFTA covering 92.2% of tariff lines (99.6% of India's exports), including 100% of non-agricultural products and tariff concessions on Processed Agricultural Products Prior to FTA, duties on certain agricultural products were as high as 249%. Key agricultural concessions include zero duty on coffee, rice, cashews, shrimps, coconuts, pineapples, fruit juice, honey and malt.
- India–Australia Economic Cooperation and Trade Agreement: In the FTA all exports of India including food, agricultural and marine products are eligible for zero-duty market access from 1 January 2026. Earlier, the import duty on key agricultural and marine products was up to 5%.
- India and United Arab Emirates (UAE) Comprehensive Economic Partnership Agreement (CEPA): India has secured duty-free and preferential market access on 97% of UAE tariff lines covering 99% of India's exports, with immediate duty elimination on over 80% of tariff lines, creating a transformational opportunity for Indian farmers, MSMES and other businesses.

ANNEXURE-II

ANNEXURE REFERRED TO IN REPLY TO PARTS (c) to (g) OF THE LOK SABHA UNSTARRED QUESTION NO. 4111 FOR ANSWER ON 17.03.2026.

Details of completed/ongoing projects in Tamil Nadu approved under the TIES are as below:

S. No.	Implementing Agency	Project Name	Total Project Cost (Rs. Cr.)	TIES approved fund (Rs. Cr.)	Status
1.	Tamil Nadu Trade promotion organisation (TNTPO)	Expansion of Chennai Trade Centre Tamil Nadu	308.75	20	Completed
2.	Madras EPZ SEZ	Revamping of 1 MLD Sewerage Treatment Plant (STP) at Madras EPZ SEZ, Tamil Nadu	2.15	1.08	Completed
3.	Council for Leather Exports [CLE]	Upgradation of Ranitec CETP project, Tamil Nadu	17.73	4.43	Completed
4.	ARSTPS-CIPET	Common Facilities Centre for Design, Prototype & Tool Room for Automobile, Aerospace and Engineering Clusters', Chennai, Tamil Nadu	32	15.13	Completed
5.	Council for Leather Exports [CLE]	Creation of additional 596 KLD capacity system in Madhavaram CETP	13.08	1.89	Completed
6.	Council for Leather Exports [CLE]	Creation of additional 750 KLD of ZLD System capacity in VISHTEC CETP at Melvisharam	18.64	7.02	Ongoing
7.	Council for Leather Exports [CLE]	Common Facility Centre in Melvisharam, Tamil Nadu	19.84	4.84	Completed
8.	SIPCOT Industrial Complex (State industries promotion corporation of Tamil Nadu)	Establishment of Export Trade Facilitation Centre	28.96	13.98	Completed
9.	SIPCOT Industrial Complex (State industries promotion corporation of Tamil Nadu)	Establishment of Plug & Play Infrastructure in SIPCOT Industrial Growth Centre, Perundurai, Erode District', Tamil Nadu	16.92	4.03	Completed
10.	Tidel Neo Limited	Development of Mini Tidel Park in Thiruchitrambalam District Villupuram	30.63	12.34	Completed
11.	Tidel Neo Limited	Development of Mini Tidel Park in Meelavitan- II Village, Thoothukudi Taluk	30.63	12.34	Completed
12.	Tidel Neo Limited	Development of Mini TIDEL Park in Pillayarpatthi Village, Thanjavur	32.11	12.95	Completed
13.	Tidel Neo Limited	Development of Mini Tidel Park in Melmanavur and Abdullapuram Villages, Vellore, Tamil Nadu'	32.21	6.72	Completed

ANNEXURE-III**ANNEXURE REFERRED TO IN REPLY TO PARTS (c) to (g) OF THE LOK SABHA UNSTARRED QUESTION NO. 4111 FOR ANSWER ON 17.03.2026.**

The projects approved under 6 sub-scheme of IFLDP for the state of Tamil Nadu are detailed below and are under progress:

I. Integrated Development of Leather Sector (IDLS)

S. No.	State/UTs	Number of units benefited for footwear & footwear components under IDLS
1	Tamil Nadu	89

II. Sustainable Technology and Environmental Promotion (STEP)**(Rs. In crore)**

S.No.	Project Name	State	Total Approved Project Cost	Approved Gol share
1	PERTEC CETP	Tamil Nadu	9.74	6.82
2	Thuthipet CETP	Tamil Nadu	7.92	5.54
3	Ranitec	Tamil Nadu	49.61	34.73
4	Vanitec	Tamil Nadu	13.59	9.51
5	Pallavaram	Tamil Nadu	52.45	36.71
6	SIDCO I	Tamil Nadu	55.20	38.64
7	Madhavaram	Tamil Nadu	1.55	1.09
8	DINTEC	Tamil Nadu	14.84	10.39
Total			204.90	143.43

III. Mega Leather Footwear and Accessories Cluster Development (MLFACD)**(Rs. In crore)**

Name of the Project	SPV/Implementing Agency	State	Total Land Area	Approved Project Cost (In Cr)	Gol Assistance (In Cr)
MLFAC, Panapakkam	SIPCOT	Tamil Nadu	347.69 Acres	271.33	125.00

IV. Brand Promotion of Indian Brands in Leather and Footwear Sector**(Rs. In crore)**

S.No	Name of the Company	State	Total Approved Project Cost	Approved Gol share
1	Sara Leather Industries	Tamil Nadu	22.50	9.00
2	Walkaroo International Private Limited	Tamil Nadu	18.00	9.00
Total			40.50	18.00

V. Development of Design Studios

(Rs. In crore)

S.No.	Project Name	State	Total Project cost	Approved Project cost	Approved Gol share
1	Walkaroo International Private Limited	Tamil Nadu		2.97	1.48
2	CSIR-CLRI	Tamil Nadu		10.94	5.47
3	Sara Leather Industries	Tamil Nadu		7.81	3.90
Total				21.72	10.85

VI. Establishment of Institutional Facilities (EIF)

(Rs. In crore)

S.No.	Project Name	Total Project cost	Approved Project cost with 100% Gol share
1.	Department of Non leather Products & Accessories at Five campuses(Noida, Bannur, Chennai, Kolkata and Hyderabad) centers of FDDI		30.93
Total			30.93
