APPAREL/GARMENTS

India's UP Footwear & Leather Policy 2025 to boost investment, jobs

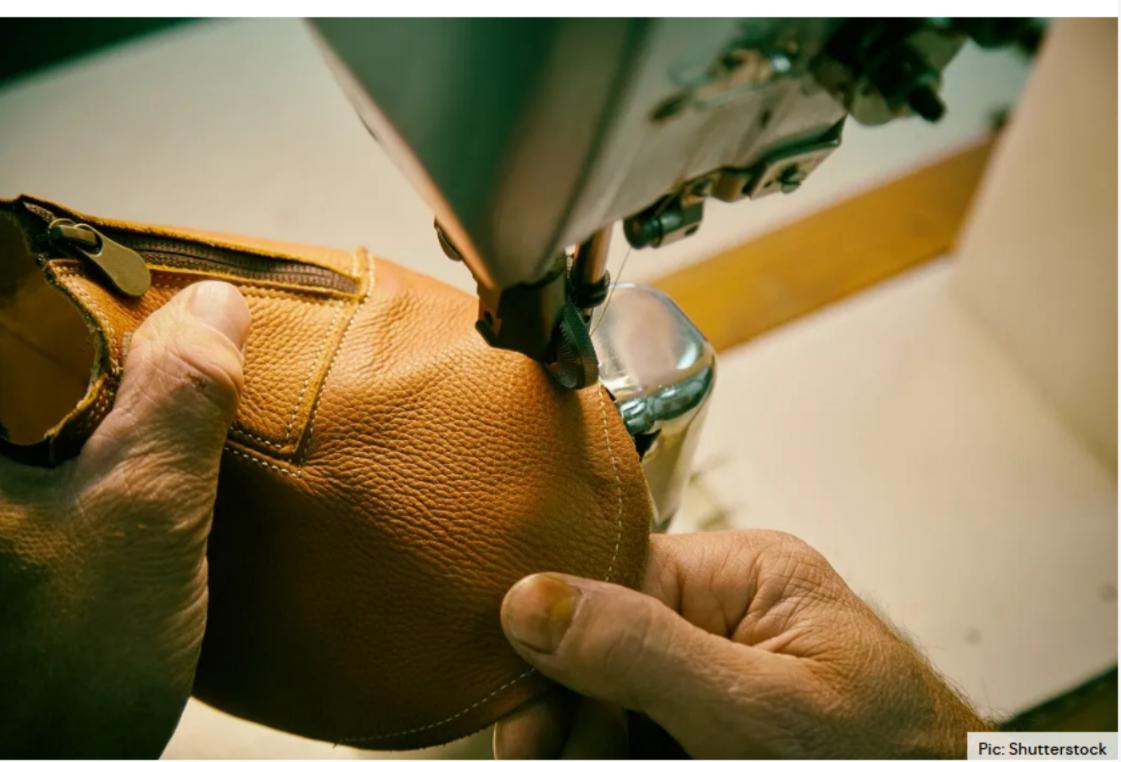
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INSIGHTS

- Under the Footwear, Leather and Non-Leather Area Development Policy 2025, India's Uttar Pradesh state will promote private industrial parks with financial assistance and tax sops.
- Developers will get support up to 25 per cent of admissible capital investment, subject to size-based limits.
- The policy will be effective for five years, covering all new projects, expansions or diversification initiatives.

Under the Footwear, Leather and Non-Leather Area Development Policy 2025, India's Uttar Pradesh (UP) state government will promote private industrial parks on a priority basis with substantial financial assistance and tax exemptions to attract investment and create jobs.

Developers will be eligible for support up to 25 per cent of admissible capital investment, subject to sizebased limits.

The target is to position the sector for global recognition while making the state a new investment hub.

The policy will remain effective for five years from the date of notification, covering all new projects, expansions or diversification initiatives, according to media reports from the state.

Eligible beneficiaries will include companies, partnerships, societies, trusts and private enterprises.

It is mandatory for private industrial parks to be developed on a minimum of 25 acres. Each park will have at least five industrial units and no unit can use more than 80 per cent of the land. A quarter of the total area will have to be reserved for greenery and general infrastructure.

Construction of parks from 25 acres to 100 acres will have to be completed in five years. Construction of parks of 100 acres and above will have to be completed in six years.

Parks from 25 to 100 acres will receive a financial assistance of 25 per cent of the eligible capital investment or a maximum of ₹450 million. Parks larger than 100 acres will receive an assistance of 25 per cent of the eligible capital investment or a maximum of ₹800 million.

Cent per cent stamp duty exemption will be offered to all park developers. However, the financial assistance can be spent only on infrastructure development.