

# Govt rolls out red carpet for footwear and leather sector

## Bid To Boost UP's Presence In Int'l Market

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**Lucknow:** The UP govt has notified the UP footwear and leather development policy, 2025, via an official order, in a bid to position UP as a footwear and leather hub of India and scale up the state's presence in international markets.

"To be effective for a period of five years, the policy outlined the state's commitment and strategic plan to achieve the goal for the sector," said a senior officer, adding that the order was issued by additional chief secretary, industries and infrastructure department, Alok Kumar.

Officials said that UP is one of India's most significant hubs for the footwear and leather industry, contributing substantially to both domestic production and exports. It accounts for nearly 46% of India's total leather exports.

The market size of UP is estimated to be around 3.5 billion

dollars, with the footwear segment contributing a significant portion of this revenue. Agra, known as the 'Footwear capital of India', is a leading exporter of finished leather footwear, while Kanpur dominates in leather accessories and saddlery.

The growing demand for high-quality leather products, combined with the increasing preference for Indian-made footwear, has positioned UP as a key supplier in global markets. The UP govt has come up with the policy to make the most of this surge.

The policy contains a strategic plan that is designed to cover the entire value chain.

### Attract new players, fortify old ones

A look at the policy indicates that the state has rolled out a

red carpet for investors. It also aims to encourage new players for which it will be creating a land bank. In addition, the policy encourages private players to invest in the area and create parks or clusters through the PLEDGE scheme.

The policy also provides for incentives for the purpose, which is higher in the underserved regions of Bundelkhand and Purvanchal. The policy states that a capital subsidy of 25% would be extended to those setting up a leather park or cluster spread across an area of 50 acre or more. The govt would provide 100% exemption on stamp duty on the purchase of land.

In addition, the govt is covering 25% of the cost that goes into building hostels or housing for the workers inside the industrial park. The govt would also help in upgrading the existing manufacturing units, promoting footwear and equipment manufacturing, skill and workforce development.

### Boost to research and export

One of the defining features of the policy is the resolve to build at least five Centres of Excellence (CoEs) in the footwear and leather products sector through the grant-in-aid poli-

cy. The policy also provides to fortify the entire ecosystem by extending incentives for research and development of intellectual property. It is for this purpose that the govt would be introducing an IPR incentive of up to Rs one crore per unit to cover the cost incurred in the registration of patents, copyrights, trademarks and geographical indication.

Aiming to boost exports, the govt has decided to reimburse 50% of the cost incurred in transportation of goods for the first three years to markets other than Nepal, Bangladesh and Bhutan.

### Push to sustainability

The govt has introduced a comprehensive package of incentives for the adoption of sustainable technologies and processes. The list includes 50% reimbursement for costs associated with carbon credit certification, energy audits and renewable energy adoption certification (RECs).

The policy provides for a 75% subsidy for obtaining international sustainability certifications. In addition, it will provide a 50% subsidy for the adoption of biodegradable tanning agents, waterless dyeing and bio-based alternatives.