



INCENTIVES IN TEXTILE SECTOR



S. N.	Particulars	Details
1.	Name of the department	Industries & Mines Department
2.	Policy title	Textile Policy
3.	Policy operational period	2018-2023

S. No.	Incentive Type	Eligibility Criteria/Description	Incentive Detail		
			Category	No. of Employees	Interest Subsidy
1.	Interest Subsidy	<p>The scheme will be known as financial assistance by way of credit linked Interest Subsidy for eligible activities.</p> <ul style="list-style-type: none"> Weaving, including preparatory (excluding Woven Sacks) Knitting Dyeing and/or Printing (Processing) Machine Carpeting Technical Textile (excluding woven sacks in any form of packtech) Made-ups (Made-ups means an article manufactured and/or stitched from any type of cloth, but does not include garment) In case of composite unit, activities excluding ginning, spinning, garments and apparel All other activities of Textile value chain - Crimping, Twisting, Texturizing, Thread, Sizing, Winding, Machine Embroidery. 	MSME		6%
			Large Enterprises	Providing direct employment up to 100 persons	4%
				Providing direct employment to more than 100 and up to 200 persons	4.5%
				Providing direct employment to more than 200 and up to 500 persons	5%
				Providing direct employment to more than 500 persons	6%
2.	Incentive in Power Tariff and Electricity Duty	<ul style="list-style-type: none"> Power Tariff Subsidy will be eligible to new enterprise, expansion and forward/backward integration. The enterprise will have to install separate sub-meter for each expansion or forward/backward integration to measure energy consumption by new Plant and Machinery and utilities installed in same premises. In case of such expansion or forward/backward integration, only the additional energy consumption (Kwh) over the average monthly energy consumption (Kwh) of immediately preceding six months of initiating expansion or 	<ul style="list-style-type: none"> Weaving Activity <ul style="list-style-type: none"> Power Tariff subsidy of Rs. 3 per billed unit (Kwh) having LT power connection and Rs. 2 per billed unit (Kwh) having HT power connection Other Eligible Activities <ul style="list-style-type: none"> Rs. 2 per billed unit (kwh) to enterprise having either LT connection or HT connection An enterprise will be eligible for Power Tariff Subsidy under the scheme only if it has availed term loan from commercial/ cooperative bank or Financial Institution approved by RBI An enterprise that purchases electricity from a licensee utility only will be eligible for power tariff subsidy The enterprise having renewable power generation for captive consumption can avail power tariff subsidy for the balance electricity consumption from the licensee utility 		

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		<p>forward/backward integration will be considered for eligibility of power tariff subsidy</p> <ul style="list-style-type: none"> The power consumed from its own captive power plant or electricity purchased through open access will not be eligible for the Power Tariff subsidy. However, such enterprise purchasing power from licensee utility for its balance requirement of power, will be eligible for power tariff subsidy for billed units (Kwh) to the extent of the balance requirement 	
3.	Assistance for Energy and Water Conservation and Environment Compliances	<ul style="list-style-type: none"> An existing enterprise in operation for more than three years shall be eligible for assistance under the scheme The enterprise will be eligible for the above incentive once in 2 years of the operative period of the scheme Investment made or expenditure incurred for mandatory compliance will not be eligible for assistance under this scheme 	<ul style="list-style-type: none"> Assistance of 20 % of cost of machinery and equipment, maximum up to Rs.30 lakhs; which will be applicable separately in each case of Energy Conservation, Water Conservation and Environment Compliance Assistance of 50% of the fee paid towards Energy audit meter Audit, up to maximum Rs. Rs.1 lakh, which will be applicable separately in each case of audit
4.	Assistance for Technology Acquisition and Upgradation	The enterprises acquiring new or improved or upgraded technology either indigenously or imported from recognised R & D institution or collaborator will be considered eligible under the scheme. Mere import of Machinery or Technology will not be considered as Technology Acquisition or Upgradation	The enterprise acquiring the technology will be provided financial assistance of up to 50% of the investment for technology acquisition / upgradation, with maximum of Rs. 25 lakhs, once during operative period of the scheme
5.	Support for Establishing Textile Park	<ul style="list-style-type: none"> Any industry Association, Company, Cooperative Society, Partnership Firm, any other legal body or any Government body such as GIDC, shall be eligible as developer to avail assistance under the scheme The park must have minimum area of 25 acres and minimum 20 number of enterprises. Moreover, Park must have minimum 80 units in the Textile Value Chain Minimum Common Facilities: The developer shall have to provide following common facilities: <ul style="list-style-type: none"> Canteen Restrooms Drinking water Primary medical facilities for workers 	<ul style="list-style-type: none"> The Textile Park will be provided financial assistance @ 25% of capital expenditure for establishing common facilities, common infrastructure and additional infrastructure (except land cost), maximum up to Rs. 15 crore. The developer of Park will be eligible for reimbursement of 100% of stamp duty paid on purchase of land required for the new Park as approved by SLEC. The individual enterprise which is set up in the Park will also be eligible for reimbursement of 10% stamp duty paid on purchase of plot/shed in the Textile Park. The reimbursement will be available only once to the developer on purchase of land and to the first purchaser of an individual enterprise. In addition, the Park will be provided financial assistance @ 25% of the cost of Hostel/ Dormitory Housing within the Park for a minimum of 100 Workers domiciled in Gujarat, up to a maximum of Rs. 7.50 crores, if prior approval of the SLEC is obtained for the same. The disbursement of assistance will be made @ 25%, and @ 50% based on expenditure incurred at least by @ 50% and @ 75Yo respectively and final payment will be made after completion of the Textile park.

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		<ul style="list-style-type: none"> ○ Common parking ○ Garden and green space ○ Communication network ○ Fire safety/ fire-fighting facilities with equipment as per prevailing Norms ● Minimum Common Infrastructure: The developer shall have to provide minimum infrastructure as follows: <ul style="list-style-type: none"> ○ Internal roads ○ Power lines ○ Streetlights ○ Water distribution system and water augmentation facilities ○ Sewage facility and drainage lines ○ Storm water drainage system ○ Effluent collection, treatment and disposal facilities as per norms ○ Security ● Additional Infrastructure: Following infrastructure will also be eligible for assistance if investment is made by developer: <ul style="list-style-type: none"> ○ Boundary wall ○ Display Center for the products of enterprises established in the Park. ○ Other facilities as may be required in the Park, as approved by SLEC <p>The expenditure incurred for development of such infrastructure shall be considered for financial assistance. No link infrastructure outside the park area shall be considered eligible under the scheme</p>	