

Gujarat Textile Policy – 2012
*Integrated approach to strengthen the
value chain, Farm- Fiber- Fabric-
Fashion (Garment) to Foreign (export)*

Government of Gujarat
Industries & Mines Department
Resolution No. TEX/102012/65117/T
Sachivalaya, Gandhinagar
Dated: 5/09/2012

Read:

1. Gujarat Industrial Policy, 2009
2. Industries & Mines Department's GR No. PLM-102006-2149-T dated 15.10.2007
3. Resolution No. PLM/102004/1047/T dtd.27.02.2009 and dated 19.6.2009.

1.0 Preamble:

India is the 2nd largest producer of cotton, and next to China. The global net cotton production has come down substantially in the recent past in China & US. On the other hand, besides US and other developed nations, cotton textile demands are increasing from economically strong Asian Countries. This has created the need for increasing spinning capacity to counter both domestic and global yarn shortage.

On the other hand, Textile being highly labour intensive industry and developed nation has already lost their cost competitiveness and trying to re-locate their activities in low cost Countries like India. In Gujarat Textile Industry has its unique position as a self-reliant industry, from the production of raw materials to fabric and Garment and has a major contribution to the economy. Gujarat is a largest producer of cotton, constituting over 35% share of the country's production. It is observed that besides the quality production of cotton, Gujarat is quite strong in Ginning both in terms of Technology & Productivity. But due to non availability of Spinning activities, over 90% of Gujarat cotton goes either for or to other state for further value addition. Therefore, there is a need to transform the State Cotton Industry as the leader in manufacturing of yarn, fabric and garment with a policy to work on five F's – Farm, Fibre, Fabric, Fashion (Garment) & Foreign (Export). In the export front, Government of India has already earmarked Ahmedabad, once known Manchester of India, as Town of Export Excellence in Textile.

Besides, this approach will **enhance the growth of cotton Farmer** by way of better price realization & also enable them to withstand the uncertain & price fluctuation of cotton both in domestic and international market in one hand and to strengthen the whole value chain of the textile industry across the State.

Similarly, in the synthetic and non-cotton textile front, Gujarat, in specific Surat, the Silk City of India, is the largest producer of man-made and filament fabric manufacturer with over 40% share in the country, capturing mainly the need of domestic market. However, a significant need is felt to make this sector



internationally competitive by way of value addition and technology upgradation at all level i.e from yarn to fabric and garment.

Looking to enormous potential of Technical Textiles and non-woven with application for industries like Medical, Agro, Automobiles & Construction industries, a need is felt to promote Technical Textiles with higher value addition across the State.

In the Textile and Apparel (Garment) value chain, development of Garment sector in Gujarat is not very impressive. One of the issues, as identified, is the shortage of Skilled Manpower in the field. State Government, therefore, intends to extend specific support to develop manpower in the field.

The proposed initiative would create substantial rural women employment. Realizing the potential of the Textile Industry in the country and abroad, In the Finance Minister's Budget Speech 2012-13, it has been announced to address the entire value chain encompassing all the stages of the production i.e. from Farm to Fabrics for noteworthy benefits for the farmers involved in cotton cultivation. To promote spinning activities it is provided Rs.70.46 crores as section-I New Item. Such special efforts will also create substantial rural women employment.

With the objective of continuing the leadership in the textile industry with a vision of Enhancing the sustainable growth of Farmers by way of Value Addition and to strengthen the value chain for the overall growth of Cotton Textile industries in one hand and Synthetic Filament Textile Industry on the other, State Government intend to provide necessary support for entire value chain i.e Ginning, Spinning, Weaving, Dyeing & Processing, Knitting, Apparel, Garmenting and Technical Textiles either for new investment and expansion or for technology upgradation to become internationally competitive. While doing this, the industry currently faces a shortage of skilled man power. The proposed initiative, therefore, has been extended also to provide the support for setting up Training Institute, in specific, for weaving & Apparel sector. Approach is also made to establish Centre of Excellence in the area of hi-tech and Technical Textile to address on product development incubation customized training and services for industries.

The State Govt. received various representations from different textile sectors and after due deliberations with the various stake holders and discussions at Govt. levels, it is decided to come out with a comprehensive textile policy to strengthen the whole value chain in textile sector.

2.0 Resolution:

Government has reviewed the scheme for assistance to Textile & Apparel sector vide Resolution No. PLM/102004/1047/T dtd.27.02.2009 and dated 19.6.2009, under Gujarat Industrial Policy 2009, with respect to support to textile industry, suggesting the need to enlarge the support more on value addition to strengthen the value chain, achieving sustainable growth of Textile Industry in Gujarat.

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After careful consideration, Government has decided to come out with the new policy, in supersession of the support envisaged in the GRs Read at (3) above and with the introduction of revised scheme for support for Textile Industry in the State of Gujarat. However, option is given to units commissioned after Gujarat Industrial Policy 2009 i.e February 2009 to take the benefit partly or fully under the new scheme also.

3.0 Operative period of the scheme

The scheme will come into operation from the date of issue of this GR and shall remain in force for five years. Only those enterprises which complete and make operational fully their projects during the operative period shall be eligible for benefit mentioned under the respective scheme, as applicable.

All the textile units/activities commissioned after the announcement of Gujarat Industrial Policy - 2009 i.e February - 2009 are also eligible to take the benefit of the new scheme as an option partly or fully as applicable.

4.0 Definitions

4.1 New Enterprise

New Enterprise means the enterprise which commences commercial production/service during the operative period of this scheme and has obtained acknowledgement of filing Entrepreneur's Memorandum (EM) with the concerned District Industries Center (DIC) or Industrial Entrepreneur's Memorandum (IEM) with Government of India.

4.2 Existing Enterprise

The Existing Enterprise means the enterprise which has filed EM with the concerned DIC or IEM with GoI and is implementing expansion/diversification/modernization in the project for carrying out activity indicated in this resolution.

4.3 Expansion or Diversification:

Existing enterprise taking up expansion and/or diversification with or without forward/backward integration, with investment more than 50% of its existing gross fixed capital investment as on date of initiating expansion/diversification and commencing production of said expansion/diversification during the operative period of the scheme shall be treated as Expansion.

4.4 Modernization:

Existing enterprises investing more than 25% in the cost of its existing plant & machinery to upgrade technology by way of adopting new technology/production process and/or improving quality of product.

4.5 Gross Fixed Capital Investment:

Gross fixed capital investment means investment in Plant & Machinery before it commences expansion/diversification/modernization and/or it obtains sanction of financial assistance from Banks / Financial Institutions.

4.6 TUF Scheme

The TUF scheme means the Technology Upgradation Fund Scheme as notified by Government of India and amended from time to time regarding eligible machineries under the scheme. In case of TUF scheme is discontinued, latest amended eligible machineries under TUF scheme will be referred. Any addition or deletion on the eligible machineries over and above with TUF enlisted can be made by SLAC with the consultation of Experts or Institutes like ATIRA, BTRA, MANTRA, NITRA, NID, NIFT etc.

5.0 Scheme - 1 - Interest Subsidy:

5.1 The scheme will be known as financial assistance by way of credit linked Interest Subsidy in Ginning & Pressing, Cotton Spinning, Weaving, Dyeing & Processing, Knitting, Garment/Made-ups, Machine Carpeting, Machine Embroidery and any other activities/process like crimping, texturising, twisting, winding, sizing etc. within the Textile value chain. However, synthetic filament yarn manufacturing is excluded under the scheme. In an alternative, units may avail MSME or other State Government Scheme.

5.2 Eligible Activities:

5.2.1 Spinning:

Spinning activities means setting up of unit having the raw material as 100% cotton OR with blended of any textile fibres OR any kind of spun yarn based on the cotton spinning system or technology from Blow room to Yarn packaging (Winding). Spinning operation can be performed on Ring spinning, Rotors or Jet Spinning.

5.2.2 Ginning & Pressing, Weaving (with or without preparatory) Dyeing & Processing, Knitting, Garment /Made-ups Machine Carpeting, Machine Embroidery and any other activities/process like crimping, texturising, twisting, winding, sizing etc. within the Textile value chain.

Investment in Plant & Machinery as specified in the updated list of machinery under TUF scheme of Government of India from Time to Time or as decided by State Level Approval Committee (SLAC)..

5.3 Quantum of assistance:

- (i) Maximum interest subsidy will be at the rate of 5% per annum. (7% for spinning unit and garment/made-ups unit) This interest subsidy will be in addition to any other incentives available from other schemes of Government of India.

- (ii) Interest subsidy will be available for establishing new enterprises or for expansion/diversification or modernization of existing enterprises as mentioned in Para 4.3 and 4.4 above, only for the investment in New & modern Plant & Machinery as specified under the TUF scheme of GoI.
The enterprises which have acquired second hand imported machineries for **Spinning units** having 10 years' vintage and with a residual life of minimum 10 years duly certified by the competent authority like Chartered Engineer/Chartered Account etc., will be considered eligible for support under the scheme to the extent of 60% of the acquisition value of imported machineries. The acquisition value of the second hand machinery shall be atleast less than 50% of the value of new imported machinery
The eligible list of machineries will be compatible with the list of machineries under TUF scheme of Government of India time to time or as decided by State Level Approval Committee (SLAC).
- (iii) The **weaving enterprises** which have acquired second hand imported Shuttle less loom having 10 years' vintage and with a residual life of minimum 10 years duly certified by the competent authority like Chartered Engineer/Chartered Account etc., will be considered eligible for support under the scheme with a condition in the line of latest TUF scheme of Government of India or as decided by State Level Approval Committee (SLAC).
- (iv) In case of composite textile unit, all the activities will be addressed separately for the purpose of getting benefits under the scheme.
- (v) The support against the second hand imported machineries will be given only after successful operation of the machineries for six months period after commissioning by the enterprise.
- (vi) For the purpose of interest subsidy, the enterprise shall get term loan from Financial Institution/ Bank recognized by Reserve Bank of India.
- (vii) The enterprise applying within one year of loan disbursement will be eligible.
- (viii) Disbursement of the loan should be within the operative period of the Scheme.
- (ix) The enterprise must start commercial operation within the operative period of the scheme.
- (x) The interest subsidy will be available only on interest levied by the Financial Institution. Penal interest or other charges will not be reimbursed.
- (xi) The interest subsidy will be for five years OR for the period of repayment of loan whichever is earlier.
- (xii) The interest subsidy will be given to the enterprise which pays regular installments and interest to the financial institutions. If the enterprise becomes defaulter, it will not get interest subsidy for the default period and such defaulting period will be deducted from 5 years period. The defaulter will be considered as per the RBI guidelines.

5.4 Support to Spinning units by way of Special concession in Power tariff & assured supply of Lignite:

- (i) Power tariff subsidy @ Rs.1 per unit in the billed amount of the utility for the units will be available for the period of 5 years as promotional initiatives for cotton

spinning industries and weaving units with or without preparatory in Gujarat. This will only be applicable for establishing new enterprises or for expansion/diversification of existing enterprises as well as the units with second hand eligible imported machineries under the scheme as mentioned in Para 5.3 (ii) and para 5.3 (iii). There will be clear demarcation on the supply of electricity for fulfill the eligibility criteria. The subsidy will be paid to the utilities by the office of the Industries Commissionerate after due verification of the claims.

- (ii) The enterprises setting up of unit having captive power plant will be given assured supply of lignite by way of supply agreement with GMDC for the period of 5 years from
- (iii) The units who purchases electricity only from the state electricity / power distribution licensee will eligible for this relief. The unit either generating power from his captive power plant or getting electricity through open access will not be eligible for the subsidy.

5.5 VAT Concession

5.5.1 Refund of VAT paid by the unit on purchases of intermediate product/raw material except for certain goods and certain transactions which are not eligible for tax credit under The Gujarat VAT Act, 2003 and remission of tax collected on end product/intermediate product within entire value chain from cotton to Garment and made ups to the extent of 100% the eligible fixed capital investments in plant and machinery made within one year (two years in case of investment more than 500 crores) from the date of production or during the operative period of the scheme whichever is earlier.

This concession will be available within 8 years from the date of the production.

- 5.5.2** If and at such time, VAT and/or CST are replaced by Goods and Services Tax or any other similar law for the levy of tax in the state of Gujarat, after the date of issue of this GR the interest of the unit would be adjusted in order to maintain the same economic benefits to the unit.
- 5.5.3** The Eligibility Certificate for the above VAT concessions will be issued by the Industries Commissioner Office.

For the purpose above, Eligible Fixed Capital Investment means investment made in plant and machineries during the operative period of the scheme.

5.5.4 The finance department will issue suitable notification in this regard

5.6 General conditions:

The following conditions shall apply to the above scheme,

- (i) The enterprise must start commercial operation within the operative period of the scheme.
- (ii) The enterprise availing benefit under the scheme will have to remain in production/services at least for ten years from the date of commencement of commercial production/services.
- (iii) All the benefiting enterprises shall file information about annual production, sales, power consumption and such other details as may be asked by DIC on 31st of every March annually.

- (iv) For expansion/diversification/modernization the enterprise will be entitled for incentives only once during the operative period of the scheme.
- (v) The existing enterprises which have been sanctioned assistance under the GR dtd.27.02.2009 mentioned at Read (3) earlier will be given an option to avail the benefit under this scheme for the remaining period out of total five years period.
- (vi) The Enterprises availing benefit under this scheme can not avail benefit from any other State Government scheme like MSME for the same purpose. However, Enterprises are eligible to get any other additional benefit under Government of India scheme.
- (vii) Ginning enterprises alternatively can avail the benefit under MSME Policy GoG as per the norms.
- (viii) All the benefits will be over and above benefit and support given by GoI.

6.0 Scheme - 2: Support to Technical Textiles

6.1 The Scheme - Interest Subsidy

The scheme will be known as Credit linked Interest Subsidy in Technical Textiles.

6.1.1 Eligible Activities

- (i) Technical Textiles are defined as textile materials and products used primarily for their technical performance and functional properties rather than their aesthetic or decorative characteristics. Depending on the product characteristics, functional requirements and end-use applications, the highly diversified range of technical textiles have been grouped into 13 sectors application-wise.
 - i. Agrotech (Agriculture, Horticulture and Forestry)
 - ii. Buildtech (Building and Construction)
 - iii. Clothtech (Technical components of shoes and clothing)
 - iv. Geotech (Geo-textiles and Civil Engineering)
 - v. Hometech (Components of furniture, household textiles and floor coverings)
 - vi. Indutech (Filtration, cleaning and other industrial usage)
 - vii. Meditech (Hygiene and Medical)
 - viii. Mobiltech (Automobiles, Shipping, Railways and Aerospace)
 - ix. Oekotech (Environmental Protection)
 - x. Packtech (Packaging)
 - xi. Protech (Personal and Property Protection)
 - xii. Sporttech (Sport and Leisure)
 - xiii. Defencetech (Textile for defense use)
 - xiv. Any other product as notified by Ministry of Textiles, Government of India, time to time.
- (ii) This Scheme will be applicable to new as well as to existing enterprise for expansion/ upgradation in above sectors.
- (iii) The machinery of Technical/Industrial textile as listed and identified under TUF scheme or compatible with TUF scheme will be considered eligible.

- (iv) The Enterprises availing benefit under this scheme can not avail benefit from any other State Government scheme like MSME for the same purpose. However, Enterprises are eligible to get any other additional benefit under Government of India scheme.

6.1.2 Quantum of Assistance

- (i) Maximum interest subsidy will be at the rate of 6% per annum. This interest subsidy will be in addition to any other incentives available from Government of India.
- (ii) Interest subsidy will be available for establishing new enterprises or for expansion/ diversification/modernization of existing enterprises as per para 4.3 and 4.4, only for the investment in New & modern Plant & Machinery as specified under the TUF scheme of GoI.
- The enterprise which have acquired **second hand imported machineries** having 10 years' vintage and with a residual life of minimum 10 years duly certified by the competent authority like Chartered Engineer/Chartered Account etc., will be considered eligible for support under the scheme to the extent of 60% of the **acquisition** value of imported machineries. The eligible list of machineries will be compatible with the list of machineries under TUF scheme of Government of India time to time or as decided by State Level Approval Committee (SLAC).
- The acquisition value of the second hand machinery shall be less than 50% of the value of new imported machinery
- The support against the second hand imported machineries will be given only after successful operation of the machineries for six months period by the enterprise.
- (iii) For the purpose of interest subsidy, the enterprise shall get term loan from Financial Institution/ Bank recognized by Reserve Bank of India.
- (iv) The enterprise applying within one year of loan disbursement will be eligible.
- (v) Disbursement of the loan should be within the operative period of the Scheme.
- (vi) The enterprise must start commercial operation within the operative period of the scheme.
- (vii) The interest subsidy will be available only on interest levied by the Financial Institution. Penal interest or other charges will not be reimbursed.
- (vii) The interest subsidy will be for five years OR for the period of repayment of loan whichever is earlier.
- (ix) The interest subsidy will be given to the enterprise which pays regular installments and interest to the financial institutions. If the enterprise becomes defaulter, it will not get interest subsidy for the default period and such defaulting period will be deducted from 5 years period.

7.0 Scheme - 3 Assistance for Energy Conservation, Water Conservation and Environmental Compliance to existing units (more than 3 years old)

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7.1.1 The Scheme

The scheme will be known as assistance for Energy Conservation, Water Conservation and Environmental Compliance to existing units having in operation for more than three years.

7.1.2 Quantum of Assistance

- (i) Assistance up to 50%, Max Rs. 50,000 for Energy Audit/Water Audit/ Environmental Compliance which will be applicable in each case separately.
- (ii) Assistance up to 20% of cost of equipments, Max Rs. 20 lakhs which will be applicable in each case separately.
- (iii) The enterprises will be eligible for the above benefit once in 2 years of operating period of the scheme.

8.0 Scheme - 4 : Assistance for Technology acquisition and upgradation

8.1 The Scheme

The scheme will be known as assistance to enterprises for Technology acquisition and upgradation.

8.2 Eligible Activities

- (i) The enterprise acquiring the technology for the first time in India for specialized application will be considered eligible under the scheme.
- (ii) The acquisition of technology and collaboration can be in any form, including purchase of drawing and design and technology development through engaging experts/ R&D institution and/or technical consultancy firm. Mere import of Machinery or Technology will not be considered as Technology Acquisition. However existing Gujarat based textile machinery manufacturers can also avail the benefit for technology collaboration from abroad.

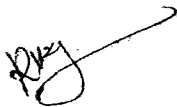
8.3 Quantum of Assistance

- (i) The enterprises acquiring the technology will be provided financial assistance of upto 50% of the investment for technology acquisition / collaboration, with maximum of Rs 25 lakhs per process/product once during operative period of the scheme.
- (ii) The enterprise availing the benefit for the same purpose under any other scheme of State Government will not be eligible to get benefit under this scheme.

9.0 Scheme - 5: Assistance to Apparel Training Institutions and Trainees

9.1 The Scheme

The scheme will be known as Assistance to Training Institutions, Training Centers, Trainers and Trainees for Apparel related production.



9.2 Eligible Activities & Quantum of Assistance

9.2.1 Setting up of Training Institution

- (i) Under the scheme, any autonomous institutions promoted by government/ public sector undertakings or private sector with a background of textile and apparel industries or skilled manpower development, will be provided assistance upto 85%, with ceiling of maximum of Rs 3 crore, of the project cost covering fixed capital investment in building, equipments and machinery (including installation cost), electrification, furniture and other miscellaneous investment required for setting up training facilities, excluding land cost. Maximum 25% cost of Machineries and Training Equipments will be eligible to consider for Infrastructure including Building.
- (ii) The recurring expenditure for running the training institution has to be borne by the promoter institution.
- (iii) Institution shall create mechanism for assessment of trainees either in line of MES, GCVT or third party skill assessment body or Institutions empanelled as decided by SLAC from time to time. However 50% of the candidates undergone training are expected to clear the examination / assessment successfully.

9.2.2 Upgradation of facilities in Industrial Training Institutes (ITIs)

ITIs offer different courses in apparel production as per the training scheme of All India Apprenticeship Training. These courses need to be upgraded as per the requirement of apparel industry and the training content needs to be approved by State Level Committee/ Anchor Institutions. ITIs, therefore, need additional facilities in terms of new equipments and machineries. Accordingly, ITIs will be provided need based assistance for purchase of equipments required for upgrading their existing facilities to provide training in apparel production. The assistance will be as one time grant of total cost of additional equipments required to be purchased for conducting training courses in apparel production.

9.2.3 Training Centers

- (i) In Gujarat, there are large numbers of Training Centers in the form of tailoring schools, which provide training in sewing and other tailoring related activities, set up by different institutions, NGOs and private entrepreneurs and registered by Directorate of Employment & Training (DET). There is a good potential to upgrade these facilities to provide training for different skills of apparel production. This would generate large number of skilled manpower in urban and semi-urban areas of the state.
- (ii) Such training centers, which come forward to upgrade their facilities in order to make them viable apparel training centers will be provided assistance at 50%, subject to a limit of Rs. 20 lacs per center, of their investment towards purchase of equipment and machinery (including installation cost), electrification and necessary furniture. Establishment of new training centers will also be eligible for financial assistance under the scheme. The institutions/ training centers will be required to provide training as per the norms of MES/AEPC or State Level Committee/ Anchor Institutions.



- (iii) The Institution/Training centre shall create mechanism for assessment of trainees either in line of MES, GCVT or third party assessment body or Institutions empanelled as decided by SLAC from time to time.

9.2.4 Reimbursement of tuition fees to Trainees

- (i) The training institutions charge tuition fees from trainees to meet their recurring expenditure, as this is the only source of income to run such institutions. The tuition fees for undertaking training in apparel production are much higher as compared to fees charged by ITIs in different skills.
- (ii) It is, therefore, necessary to provide assistance to trainees so as to enable them to pay tuition fees. The assistance will be at 50% of total fees charge by institutions, subject to a limit of up to Rs 7,000/- per trainee for minimum 15 working days (120 hrs duration) per course in apparel production in institutions approved by the State Level Committee. The selection of trainees will be carried out by the committee constituted by concerned General Manager (GM), DIC involving local industries/Industry Association. The tenure of the Training, Syllabus and Tuition Fees will be prescribed by State Level Committee/ Anchor Institutions.
- (iii) However, this support will not be available to those trainees availing any other similar support provided by State Government.
- (iv) Training Institutions/Centers promoted under the scheme or GoG or GoI will continue to get benefit upto 10 years of commissioning.

9.2.5 Assistance for training to Trainers

- (i) Financial assistance, as reimbursement of training cost with maximum limit of Rs.7,000/- per trainer per week will be provided to apparel training institutions/ centers approved by State Level Committee for imparting training to the trainers
- (a) at 100% in case of trainers attending autonomous institutions promoted by Government/Public sector undertakings and
- (b) at 50% in case of trainers attending other institutions
- (ii) The training period should not be more than four weeks.
- (iii) The training will be conducted in the institutions approved by the State Level Committee/ Anchor Institutions.

10.0 Scheme - 6: Training Support to Power loom Sector

10.1 Stipend to Trainees of Power loom

10.1.1 The Scheme

The scheme will be known as assistance by way of stipend to trainees of Power loom training centers operated by ATIRA and MANTRA and other Powerloom Service Centers OR Skill Development Centers promoted by State or Central Government OR any autonomous body as approved by State Level Committee from time to time.

10.1.2 Eligible activities

The fresh trainees of Power loom training centers operated by ATIRA at Ahmedabad & Dholka and by MANTRA at Pandesara, Katargam & Sachin at Surat and other Powerloom Service Centers OR Skill Development Centers promoted by State or Central Government OR any autonomous body as approved by State Level Committee from time to time will be considered eligible for stipend.

10.1.3 Quantum of Assistance:

Trainees will be given stipend of Rs.2500/- per month for the period of three months.

10.2 Assistance for advanced training to Power loom owner/ jobber and worker

10.2.1 The Scheme

The scheme will be known as assistance for advanced training to power loom owner/jobber and worker to upgrade skills to work on Auto looms, High speed auto looms and Shuttleless looms and to improve their working style, skill and behavior.

10.2.2 Quantum of Assistance

- (i) Allowances towards cost of transport & incidental expenses to weavers @ Rs.200/- per day for duration of two days and Jobbers @ Rs.300/- per day for duration of six days. No allowances will be given to Power loom owner.
- (ii) No fees will be charged by the Institution from Weaver, jobber or Owner for providing training.

10.2.3 Other Conditions

The following conditions shall apply for providing financial assistance:

- (i) Training period will be two days for weaver, six days for jobber and two days for power loom owner.
- (ii) Fees to experts, practical training, facilities for training etc. will be decided in consultation with the office of Industries Commissionerate for the each training programme. Reimbursement of actual cost for such expenditure will be given to ATIRA/ MANTRA or institutions/autonomous OR Non Profit Organization with maximum 25% of the estimated cost as an advance, as approved by State Level Committee.

11.0 Scheme-7 : Support for establishing Textile & Apparel Park:

The scheme will be known as support for setting up of Textile and Apparel Park anywhere in the state of Gujarat.

11.1 Eligibility:

- (i) Any Industry Association/Industrial House/Co-operative society/ Institution registered under the Societies Act, Partnership Act or the Companies Act OR any Government body like GIDC shall be eligible as developer to avail assistance under the scheme.

- (ii) The park must have provision for the location of minimum 20 numbers of manufacturing/ service enterprises (Maximum 25% numbers of service and allied enterprises).
- (iii) For Spinning Park- The park must have provision for the location of minimum 10 numbers of spinning units with minimum 150 acres of land. Besides, upto 35% of land may be utilized for weaving activities also in the park in order to support spinning activities

11.2 Infrastructure facilities:

Infrastructure facilities shall include cost for development of infrastructure like internal roads, power lines, communication facilities, water distribution line and water augmentation facilities, sewage and drainage lines, effluent treatment and disposal facilities, storage facilities, common facility centre like training centre, display centre etc. and other facilities as may be required in the Industrial Park. The expenditure incurred for the infrastructure development shall only be considered. The construction norms shall be decided by the SLAC. No link infrastructure outside the park area shall be considered eligible under the scheme.

11.3 Quantum of assistance:

The park will be provided financial assistance of up to 50%, with maximum limit of Rs. 10 crore (Rs.30 crores for Spinning park) of total project cost for establishing common infrastructure facilities, excluding land cost.

The developer of such park and enterprises in the park will be eligible for exemption of stamp duty on purchase of land required for the new park as approved by SLAC. This exemption will be available only for once to developer and the first purchaser of an individual unit. Stamp duty exemption certificate will be issued after approval of the project by SLAC.

A separate notification in this regard will be issued by the Revenue Department of State Government.

11.4 Mode of implementation:

- I. The textile/Apparel parks are required to have minimum infrastructure facilities required for park namely internal roads, water distribution network, drainage facilities, effluent treatment, power distribution network and other facilities.
- II. Indicative list of common infrastructure facilities are:
 - a) Asphalt road, concrete road
 - b) Storm water drainage system
 - c) Domestic sewage collection and disposal system
 - d) Streetlights
 - e) Open & Green spaces
 - f) Water & Power supply & distribution network
 - g) Entrance gate and security
 - h) Communication network
 - i) Effluent treatment collection/ disposal

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- j) Fire station/ fire fighting facilities with equipments
- k) Common storage facilities for raw material/ finished products.
- l) Boundary wall

11.5 Other conditions:

1. The developer of the park availing incentive under the scheme will not be eligible to avail incentive under any other schemes of the State Government, unless specified otherwise. However, the enterprises coming up in the park shall be eligible to avail incentives under the separate schemes of State Government.
2. The construction of infrastructure facilities of the sanctioned project should be completed within the period of 3 years from the date of approval of project by SLAC. Failure to complete within the specified period will attract the recovery of Stamp duty as per rules by Superintendent of Stamp. Failure to complete the project within period specified as above, will render the project ineligible for financial assistance. The SLAC may extend the project completion period by one year on submission of valid reason by the developer.
3. The promoter/ developer of the project shall commit to hold atleast 20% equity participation in the project.
4. Expansion or modification/ modernization of existing industrial park shall not be eligible under this scheme.
5. The promoter/ developer of the park shall operate & maintain the park. Otherwise sanctioned/ disbursed/ reimbursed amount will be recovered as arrears of land revenue under the Land Revenue Laws.
6. The detailed O&M arrangement and mechanism of third party inspection will have to be set up as an integral part of the project to claim assistance under the scheme.

12.0 State Level Approval Committee (SLAC)

A Committee, consisting of following members is constituted for sanction of assistance with respect to proposals received under the above mentioned schemes:

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|-----|---|------------------|
| 1. | Principal Secretary Industries & Mines department | Chairman |
| 2. | Industries Commissioner | Member |
| 3. | Managing Director, iNDEXTb | Member |
| 4. | Director, Agriculture, Government of Gujarat | Member |
| 5. | Director Employment and Man Power | Member |
| 6. | Dy. Secretary (Textile) I & M Dept. | Member |
| 7. | Financial Adviser Finance Department | Member |
| 8. | President, Gujarat Chamber of Commerce & Industry | Member |
| 9. | Director CED | Member |
| 10. | Director ATIRA | Member |
| 11. | Addl/Joint Commissioner of Industries | Member Secretary |

SLAC may form a committee consisting of representative from Industry and Government for overall monitoring of the scheme.

13.0 Any dispute / interpretation or contention under this scheme be referred to the SLAC and decision of the committee shall be final and binding on the applicant.

14.0 Procedure

The proposal for getting the assistance should be submitted to the respective District Industries Centre. DICs will scrutinize and forward the proposal to Industries Commissioner, who will submit before the State Level Approval Committee for its decision. Industries Commissioner in this regard will issue the detailed procedure separately.

15.0 Expenditure

The expenditure on this account will be met from the sanctioned grant of the respective financial year under the following budget head:

Demand No	49 (Plan)
Major Head	2852 (Industries)
Sub- Major Head	80 (General)
Minor Head	800 Other expenditure
Sub Head	IND-9, Development of Textile Industry
Detailed sub head -Object Head	2852 80 800 319
	Subsidies (c) to others

This issues with the concurrence of Finance Department dated 26/07/2012 on this department file of even number.

By order and in the name of the Governor of Gujarat.


(R. K. Shah)

Deputy Secretary to Government

Copy to :-

1. Secretary to H. H. Governor of Gujarat Rajbhavan, Gandhinagar (By Letter)
2. Principal Secretary to Chief Minister, Sachivalaya, Gandhinagar.
3. All Hon.Ministers, Sachivalaya, Gandhinagar.
4. P.S. to Hon. Minister of State (Industries and Mines) Sachivalya, Gandhinagar.
5. Deputy Secretary to Chief Secretary, Sachivalya, Gandhinagar.
6. Additional Chief Secretary, Finance Department, Sachivalya, Gandhinagar.
7. The Principal Secretary, Revenue Department, Sachivalya, Gandhinagar.
8. Accountant General Gujarat, Ahmedabad/Rajkot.
9. Commercial Tax Commissioner, Ashram Road, Ahmedabad.
10. Industries Commissioner, Udyog Bhavan, Gandhinagar.
11. Managing Director, GIDC, Udyog Bhavan, Gandhinagar.
12. Managing Director, Indext-B, Udyog Bhavan, Gandhinagar.
13. The C.E.O. GIDB, Udyog Bhavan, Gandhinagar.
14. Commissioner of Cottage and Rural Industries, Udyog Bhavan, Gandhinagar
14. Secretary, Gujarat Electricity Regulatory Commission, Ashram Road, Ahmedabad.
15. Director of Employment and Training, Dr. Jivraj Mehta Bhavan, Gandhingar.
16. Commissioner of Information, Dr. Jivraj Mehta Bhavan, Gandhingar.
17. All District Industries Centre (Through Commissioner of Industries)
18. All Departments of Sachivalaya, Gandhinagar.
19. I.T Branch, I&M Department, Sachivalya, Gandhinagar.
20. The President, Chamber of Commerce and Industries, Ashram Road, Ahmedabad.
21. Select File.

