

**Government of Gujarat
Industries & Mines Department
Sachivalaya, Gandhinagar.
Resolution No. IMD/WRT/e-file/9/2023/2817/CH
Dated:15/10/2024.**

Read :

- 1. Industries & Mines Department GR No TEX/102018/3327/CH dated 10/01/2019**
- 2. Industries & Mines Department GR No MIS/102020/347965/I dated 02/11/2020**
- 3. Industries & Mines Department GR No TEX/102018/3327/CH dated 22/02/2022**
- 4. Industries & Mines Department GR No TEX/102018/3327/CH dated 25/01/2024**

1. Preamble:

The Textile Industry is considered to be the second most significant economic driver in terms of employment generation after agriculture. Once hailed as the "Manchester of the East," Gujarat has established itself as the "Textile State of India," excelling in the production of Man-Made Fiber (MMF), Synthetic Fabric and Denim.

Inspired by the vision of **Make in India** and **Aatmanirbhar Bharat** of Hon'ble Prime Minister, the Government of Gujarat is committed to the realization of Viksit Gujarat – Viksit Bharat@2047. Widely acknowledged as the "Growth Engine of India", Gujarat owes its strength to several strategic advantages; like strategic geographic position owing to its ports and its fertile black soil that has positioned Gujarat as the highest cotton producing State in India.

Gujarat has the presence of the entire Textile and Apparel value chain, from raw material availability, yarn production, fabric production, to the manufacturing of apparels and made-ups. Gujarat accounts for approximately 28% of cotton production and 50% of MMF in India. Of the total fabric production, around 40% is contributed by MMF. The State also produces around 25% of Technical Textiles in the country. Its contribution of approximately 12% to the country's textile exports and around 35% to India's cotton exports underscores its pivotal role in the Sector.

The "Scheme for Assistance to Strengthen Specific Sectors in the Textile Value Chain 2019" notified vide Resolution dated 10th January, 2019 and "Gujarat Garment & Apparel Policy 2017" notified vide Resolution dated 11th October, 2017, provided impetus towards attracting investments across the textile value chain and strengthening manufacturing capabilities in the State. The Aatmanirbhar Gujarat Scheme (2022) continues to support the Textile Sector recognizing its role as one of the thrust sectors in the economic growth of the State.

In view of the above, the Government of Gujarat decided to formulate a new Integrated Textile Policy aimed at augmenting investments in the textile sector and to strengthen the textile value chain across each sub-sector, while also focusing on strengthening the garments and apparels as well as technical textiles industry. The development of the upcoming Greenfield prestigious Pradhan Mantri Mega Integrated Textile Region and Apparel (PM MITRA) Textile Park in Gujarat coupled with the State Government's focus on promoting Women Entrepreneurs, MSMEs and Youth has also been given due consideration while formulating the Policy. The Policy also focuses on reducing the carbon footprint and promoting green growth, thereby making the sector globally competitive and environmentally sustainable.

Resolution:

After careful consideration, the Government of Gujarat is pleased to notify "Gujarat Textile Policy – 2024", the first in AmritKaal. The Policy aims to create a vibrant Textile Sector ecosystem and generate enormous employment opportunities in the State.

2. Operative Period of the Policy:

The Operative Period of the Policy shall be for a period of five years effective from 01/10/2024 to 30/09/2029.

3. Definitions:

3.1. Industrial Undertaking

Industrial Undertaking means a legal entity such as a Company registered under the Companies Law, Partnership Firm, LLP, Industrial Cooperative Society, Proprietary concern engaged or to be engaged in manufacturing, production, processing or job work of activities covered under para 4 of this GR. Self Help Groups (SHGs) engaged in the foregoing activities shall also subsume for the benefits under this Policy.

3.2. New Industrial Unit

New Industrial Unit means a new project set up by an Industrial Undertaking which commences commercial production of eligible activity

as mentioned in para 4 of this GR during the operative period of the Policy, subject to the fulfillment of one or both of the following conditions:

- 3.2.1.** A separate Industrial Entrepreneur Memorandum (IEM) /UDYAM Registration as prescribed by the Competent Authority is filed by an Industrial Undertaking.
- 3.2.2.** The new project shall have Separately Identifiable Fixed Capital Investment (SIFCI) which means the new Plant & Machinery housed in separate premise/ building and maintaining separate books of accounts. However, the new project will not lose its eligibility, if the utilities of an existing project, such as water, electricity, steam, gas, pollution control facilities etc. are utilized.

3.3 Existing Industrial Unit

The Existing Industrial Unit means an Industrial Unit that has been in production in Gujarat before initiating the expansion/diversification/modernization of activities covered under para 4 of this GR at the same location/premises. A New Industrial Unit set up under this Policy that decides to carry out expansion and/or diversification of existing production line of activities covered under para 4 of this GR, during the Operative Period of the Policy will be termed as Existing Industrial Unit with reference to the expansion/diversification.

3.4 Garment, Apparel & Made-ups

Garment, Apparel & Made-ups mean wearable/non-wearable stitched fabric, at least, two sides of which are stitched using sewing machinery.

3.5 Technical Textile

Technical Textile means textile materials and products used primarily for their technical performance and functional properties and it includes 12 technical textile segments, namely, Agrotech, Meditech, Buildtech, Mobiltech, Clothtech, Oekotech, Geotech, Packtech, Hometech, Protech, Indutech and Sportech (as identified by Ministry of Textile, GoI time to time).

3.6 Labour Intensive Unit

Labour Intensive Unit means a new industrial unit that provides minimum employment to 4000 (four thousand) persons duly registered under EPF scheme, out of which minimum female employee should be at least 1000 (one thousand). The existing unit that carrying out expansion/diversification of activities covered under para 4 of this GR, during operative period of the scheme and provides totally new

employment to minimum 4000 (four thousand) persons duly registered under EPF scheme, out of which minimum female employee should be at least 1000 (one thousand).

3.7 Expansion

Expansion means where an Existing Industrial Unit increases its investment in Gross Fixed Capital by, at least, 25% of its Existing Industrial Unit of activities covered under para 4 of this GR, in the same premises, of which, at least, 60% of investment is made in Plant and Machinery, and also increases its installed capacity of activities covered under para 4 of this GR by at least, 25% of existing product(s) for which expansion is carried out. Such expansion will be eligible only if the Existing Industrial Unit has reached the utilization of existing Installed Capacity, at least, to the extent of 75% in any one of the preceding three financial years.

Such expansion unit should have separately identifiable fixed capital investment. However, such expansion will not lose its eligibility, if the utilities of an Existing Industrial Unit, such as water, electricity, steam, gas, pollution control facilities, etc. are utilized.

3.8 Diversification

Diversification means where an Existing Industrial Unit diversifies the activities covered under para 4 of this GR and increases its investment in Gross Fixed Capital by, at least, 25% of its Existing Industrial Unit in the same premises, of which, at least, 60% of investment is made in Plant and Machinery. Such diversification of the unit should have Separately Identifiable Fixed Capital Investment. However, such diversification of the unit will not lose its eligibility, if the utilities of an existing project, such as water, electricity, steam, gas, pollution control facilities, etc. are utilized.

3.9 Modernization

Modernization means new Plant and Machinery with updated technology acquired to replace the old Plant and Machinery which has been in use for activities covered under para 4 of this GR, at least, the last 20 years. The investment in Plant and Machinery including utilities should not be less than 25% of Gross Fixed Capital Investment of its Existing Unit in the same premises.

3.10 Gross Fixed Capital Investment

Gross Fixed Capital Investment means investment made in Building, Plant and Machinery, Electrification, Tools and Equipment, Accessories, Utilities, Effluent Treatment Plant and other assets, excluding land, required for manufacturing the end product/s.

Only assets acquired and paid for during Eligible Investment Period of the project under this Policy shall be considered as the Gross Fixed Capital Investment (GFCI) for the purpose to determine the eligible Fixed Capital Investment under this Policy.

3.11 Eligible Fixed Capital Investment

Eligible Fixed Capital Investment (eFCI) means the following components of investment made during the Eligible Investment Period as per para 3.20 of this GR.

A. New Building

A new building means a new building constructed, or acquired as a new and unused building, for the project including administrative building. The cost of the new building shall be calculated as per the actual cost or the Schedule of Rates (SOR) of the relevant year of the R&B Department of the State Government, whichever is lower.

Building acquired under lease or on rental basis, except GIDC sheds, will not be considered as Eligible Fixed Capital Investment. No cost incurred on acquisition of old building, or the expenditure incurred on repairing a building, will be considered as Eligible Fixed Capital Investment.

Dormitory Housing facilities set up for workers and staff of Industrial Units shall also be eligible.

B. Plant and Machinery

Plant and Machinery means new plant and machinery, utilities, dies and moulds, including cost of transportation, foundation, erection, installation and electrification, capitalized under the head of plant and machinery. The electrification cost will include the cost of sub-station and transformer installed by the Industrial Undertaking at the site.

Plant and machinery shall include:

- i. Plant for captive power generation through renewable.
- ii. Plant for pollution control measures, including facility for collection, treatment, disposal of effluent or solid/hazardous waste, Zero Liquid Discharge Plant (ZLD).
- iii. Imported second-hand machinery not more than ten years old and with a residual life of minimum ten years, duly certified by the competent authority such as Chartered Engineer.

Investments towards components other than Plant and Machinery shall be limited only up to 20% of eligible FCI.

C. Fixed Capital Investment at the workplace of SHG

- Building/Shed constructed at the workplace of SHG
- Plant and Machinery installed at the workplace of SHG including installation and electrification.
- This investment will be considered as a part of the project, if a legally enforceable job work contract is executed with the SHG for at least a period of five years.

3.12 Ineligible Capital Expenditure/Assets

The following expenditure shall not be considered for calculating the Eligible Fixed Capital Investment:

- 1) Land and land development cost
- 2) Working Capital
- 3) Goodwill
- 4) Royalty
- 5) Preliminary and Pre-operative expenses
- 6) Indigenous second-hand Plant & Machinery
- 7) Interest Capitalized
- 8) Rented or leased property
- 9) Anything which has not been included in the eligible FCI.

3.13 Term Loan

Term Loan means loan sanctioned by the financial institutions / Banks / External commercial borrowings sanctioned by overseas institutions (except NBFCs) for the setting up of the project by an Industrial Undertaking. However, only the amount actually disbursed during the Eligible Investment Period against the sanctioned Term Loan will be considered for the incentives under this Policy.

3.14 Date of Commercial Production (DoCP)

In case of New Industrial Unit, the DoCP shall be the date of First Sale Bill of the product/s for which the project has been set up.

In case of Expansion / Diversification / Modernization, the DoCP shall be the date of First Sale Bill of the product/s being manufactured by Expansion/ Diversification / Modernization Project.

3.15 Installed Capacity

Installed Capacity means the optimum production capacity of the plant which is undergoing expansion. The Installed Capacity as mentioned in the appraisal report prepared by a bank or financial institution or certified by Chartered Engineer will be considered as the Installed Capacity. Where no such appraisal is available, the production capacity as worked out by the Industries Commissioner, or by an officer duly authorized by him, will be considered as the Installed Capacity.

3.16 Payroll/Wages

Payroll or Wages mean Basic Salary plus Dearness Allowance payable to the Workers duly registered under the EPF scheme. Other perks and allowances will not be considered as a part of the Wages for the calculation of Payroll Assistance.

3.17 Category-wise Classification of Talukas under the Policy and Ineligible Areas

Category-wise classification of talukas will be as per the Industries and Mines Department GR MIS-102020-347965-I dated 2/11/2020.

If a project is located within the geographical limit of more than one taluka, then the taluka in which the project has the largest percentage of land area will be considered as the eligible category of taluka under the Policy.

An Industrial Undertaking located within the limit of Municipal Corporation (notified as on date) will not be eligible for incentives under the Policy.

3.18 Worker

A Worker means any person employed on its payroll by Industrial Undertaking to perform a task or to do any manual, unskilled, skilled, semi-skilled, technical, operational work for hire or reward, and engaged in manufacturing processes. (Account, Admin and Marketing Staff engaged by Industrial Undertaking will not be considered eligible workers). Only domicile workers duly registered under EPF scheme will be eligible for Payroll Assistance.

3.19 Self Help Group (SHG)

Self Help Group means Group of SHGs duly registered with NRLM/NULM or any voluntarily group of at least 25 women with mutual agreement to contribute to a common cause of the group and is self-governed and forms an association of people hailing from similar socio-economic background with the objective to collectively fulfill the common purpose to improve the livelihood conditions.

3.20 Eligible Investment Period

In order to be eligible for incentives under this Resolution, the Industrial Undertaking must have commenced commercial production during the Operative Period of the Policy.

However, in case of the Project which is under implementation as on 01/10/2024, the assets acquired and paid for from 01/01/2024 to 30/09/2024 shall also be considered as part of Gross Fixed Capital Investment to determine the Eligible Fixed Capital Investment.

The consideration of Eligible Investment Period of Eligible Fixed Capital Investment will be for the assets acquired and paid up to the extended time period from the date of commencement of commercial production as specified below:

1.	Gross Capital Investment up to INR 500 cr.	12 months from DoCP
2.	Gross Capital Investment above INR 500 cr.	24 months from DoCP

3.21 Composite Unit

Composite Unit means that it integrates various stages of textile production process within premises, which includes spinning, weaving, knitting, dyeing, printing, finishing, and packaging of finished textile product i.e., the unit produces finished textile products starting either from raw material stage or intermediate stage, in a more streamlined and coordinated manner.

3.22 Micro, Small and Medium Unit (MSME Unit)

A micro, small or medium unit under this policy means an Unit which has fixed capital investment made in Plant and Machinery as per following:

- a. **Micro:** Less than or equal to INR 1 crore
- b. **Small:** More than INR 1 crore and less than or equal to INR 10 crore
- c. **Medium:** More than INR 10 crore and less than or equal to INR 50 crore

3.23 Previous Scheme

Previous scheme means a scheme for Assistance to strengthen specific sectors in the Textile Value Chain – 2019 vide Resolution No. TEX/102018/3327/CH dated 10/01/2019.

4. Eligible Activities under the Policy:

4.1. Activity – 1

Garments, Apparel & Made-ups, Technical Textiles Activity (including Composite Unit)

4.2. Activity – 2

Weaving (with or without preparatory), Knitting, Dyeing & Processing, Texturising, Twisting, Embroidery and MMF Spinning to manufacture yarn from Polyester Staple Fiber (PSF) / Viscose Staple Fiber (VSF) (excluding Spinning activity of Cotton and Synthetic Filament Yarn).

5. Fiscal Incentives:

New Industrial Unit and/or **Existing Industrial Unit** carrying out expansion/diversification/ modernization of existing projects will be eligible for the following incentives.

5.1. Capital Subsidy

Financial assistance by way of **Capital Subsidy** for eligible activities as specified in para 4.

5.1.1. Quantum of Assistance:

Category of Taluka	Activity – 1	Activity – 2
Category 1 & PM MITRA Park	35% of eFCI, Maximum INR 100 Crore	20% of eFCI, Maximum INR 50 Crore
Category 2	30% of eFCI, Maximum INR 100 Crore	18% of eFCI, Maximum INR 50 Crore
Category 3	20% of eFCI, Maximum INR 50 Crore	10% of eFCI, Maximum INR 40 Crore

5.1.2. Conditions for Capital Subsidy

- The Capital Subsidy will only be eligible to the Industrial Units availing Term Loan.
- The Capital Subsidy will be paid only after the commencement of commercial production.
- The Capital Subsidy shall be disbursed in five equal annual installments.**
- The application must be submitted within the stipulated timeline mentioned in para 8.1. The application submitted thereafter will not be considered for Capital Subsidy.
- The Industrial Unit will not be eligible for Capital Subsidy under this Policy if, the Term Loan is sanctioned after one year from DoCP.
- If Industrial Unit is availing Capital Subsidy under any scheme of Central Government, then total quantum of Capital Subsidy from State and Central Government, in any case shall not exceed the total term loan amount disbursed.

5.2. Interest Subsidy

Financial assistance by way of Credit-Linked Interest Subsidy for eligible activities as specified in para 4.

5.2.1. Quantum of Assistance:

Category of Taluka	Activity – 1	Activity – 2
Category 1 & PM MITRA Park	@7% on Term Loan for 8 years; Maximum 3% of eFCI per annum	@7% on Term Loan for 7 years; Maximum 2% of eFCI per annum
Category 2	@7% on Term Loan for 8 years; Maximum 2.5% of eFCI per annum	@7% on Term Loan for 7 years; Maximum 2% of eFCI per annum
Category 3	@5% on Term Loan for 6 years; Maximum 2% of eFCI per annum	@5% on Term Loan for 5 years; Maximum 2% of eFCI per annum

5.2.2. Conditions for Interest Subsidy

- Interest Subsidy will be eligible on the amount of term loan actually disbursed against the sanctioned term loan for Gross Fixed Capital Investment which is to be considered to determine eFCI only.
- Industrial Unit shall opt for the date of eligibility of Interest Subsidy either from the date of first disbursement of loan or from DoCP. However, in cases where the Term Loan(s) are availed from multiple financial institutions, the date of first disbursement of term loan by any one financial Institution will be considered as a date of first disbursement.
- An application submitted after the stipulated timeline mentioned in para 8.1 will be considered subject to the deduction of delayed period. i.e. Date of eligibility of Interest Subsidy will be the actual date of submission of application.
- The Industrial Unit shall apply for claim of Interest Subsidy after obtaining the Eligibility Certificate.
- The entire disbursed amount of term loan within Eligible Investment Period as defined in para 3.20 above will be eligible for Interest Subsidy.
- The Interest Subsidy will be reimbursed only on interest and installment paid to the financial institution. Penal interest or other charges will not be considered as interest.
- Interest Subsidy will be disbursed only to the Industrial Unit which pays regular installments and interest to the bank/financial institution. If the Industrial Unit becomes a defaulter, it will not be eligible for Interest Subsidy for the default period, and such default period will be deducted from the period eligible for Interest Subsidy. The default will be determined as per the RBI guidelines.
- In any case, the Industrial Unit shall have to bear a minimum 2% interest levied on Term Loan by the financial institution.
- If the eligible Industrial Unit is also availing Interest Subsidy from Government of India, the Interest Subsidy from the State shall be to

the extent that the Industrial Unit bears at least 2% of the interest even after offsetting the Interest Subsidy from Government of India.

- j) In case of Industrial Unit which is under implementation as on 01/10/2024, the Term Loan Amount disbursed only after 01/01/2024 will be considered eligible.

5.3. Power Tariff Subsidy

Financial assistance by way of Power Tariff Subsidy for eligible activities as specified in para 4.

5.3.1. Quantum of Assistance:

Activity	Power Tariff Subsidy
Activity – 1	INR 1/unit (kWh) Availing power either from DISCOM or Renewable Power through open-access for period of 5 years from DoCP
Activity - 2	

5.3.2 Conditions for Power Tariff Subsidy

- a) An application submitted after stipulated timeline mentioned in para 8.1 will be considered subject to deduction of delayed period. i.e. from DoCP to the actual date of submission of application.
- b) Power Tariff Subsidy will be eligible to new Industrial Unit, expansion/diversification/modernization. In case of expansion/diversification/modernization, the Industrial Unit will be eligible only for additional consumption of power over the average consumption of power in terms of kWh immediately preceding one year from DoCP of Expansion/Diversification/Modernization.
- c) The power consumed from its own captive power plant (Thermal and Renewable) will not be eligible for the Power Tariff Subsidy.
- d) Power Tariff Subsidy will be eligible only on submission of copy of electricity bill in the name of the Industrial Unit.

5.4 Payroll Assistance:

Financial assistance by way of **Payroll Assistance**.

5.4.1 Quantum of Assistance:

Activity	Payroll Assistance
Garment, Apparel& Made-ups (including Composite Unit)	INR 5000 per Female Worker & INR 4000 per Male Worker per month
Technical Textile (including Composite Unit)	INR 3000 per Female Worker & INR 2000 per Male Worker per month

5.4.2 Conditions for Payroll Assistance

- a) Payroll Assistance will be available for a period of five years from DoCP.
- b) An application submitted after stipulated timeline mentioned in para 8.1 will be considered subject to deduction of delayed period. i.e. from DoCP to the actual date of submission of application.
- c) The Payroll Assistance shall be available only for the domicile of Gujarat workers registered under EPF scheme.
- d) An eligible Industrial Unit that has availed EPF reimbursement under any scheme of the Central / State Government, or any agency of the Central/ State Government for any period shall not be eligible for Payroll Assistance under this Policy for that period.

5.5 Assistance to SHG for job work

5.5.1 The following incentives can be availed by the SHG:

Activity	Quantum
Training Assistance	INR 5000 per month per member for a period of 3 months
Payroll Assistance	25% of job work value turnover limited to INR 5000 per month per member for 5 years
In case, if SHG is independently engaged in the manufacturing (not doing job work) as defined under this Resolution, then it will not be eligible for the above incentives.	

5.5.2 Conditions for SHG Job Work Assistance

The following conditions shall apply for assistance to SHG:

- a. SHG having 25 or more women will be eligible for assistance.
- b. Assistance will be available only for female workers of the SHG.
- c. The Industrial Unit shall have to pay at the rate of INR 5000 per month per female worker to SHG in addition to job work charges to SHG. This Payroll Assistance is to be credited to the SHG Bank account by the Industrial Unit.
- d. SHG will entirely pass on Payroll Assistance in their beneficiaries' bank account.
- e. The Payroll Assistance paid by the Industrial Unit will be reimbursed along with other claims.
- f. The payroll credit is an additional incentive to the members of SHG and therefore, it should not be deducted from job work charges payable to the SHG.

5.6 Assistance for Quality Certification

The Industrial Unit will be eligible for following assistance.

5.6.1 Quality Certification

- a. 50% of fee payable to certification for National /International Certification (i.e. BIS/ISI/WHO/GMP/Hallmark etc. and other National/International Certification) and 50% cost of testing equipment and machinery required for that certification totaling maximum amount of INR 10 lakh during the operative period of the scheme.
- b. The cost for certificate will include:-Fees charged by certification agency (excluding travel, hotel & surveillance charges), Cost of testing equipment/machinery as required for certifications, Calibration charges of equipment. The Industrial Unit will not be eligible if any certification is required as a part of statutory provision.
- c. This assistance will be supplementary to such scheme of Government of India. However, in no case, total assistance from State and Central Government should exceed more than actual expenditure incurred by the Industrial Unit for said purpose.
- d. The testing equipment purchased after the issuance of Quality certificate shall not be eligible for assistance.
- e. The Industrial Unit shall have to submit the application within a one year from the date of issue of the Certificate.
- f. Expenditure incurred for renewal of certificate shall not be eligible for assistance.

5.7 Assistance for saving in consumption of Energy and Water

- a. The existing as well as new Industrial Unit taking action for saving in consumption of Energy and Water will be eligible for assistance
(a) 75% cost of energy/water audit conducted by a recognized institution/ consultant subject to maximum INR 50,000/- for each will be reimbursed once during the operative period of the Policy.
- b. 25% of cost of equipment recommended by the Auditing authority subject to maximum INR 20 lakhs one time assistance will be eligible between during the operative period of the Policy.
- c. The assistance on cost of equipment will be eligible subject to the condition that saving in energy / water minimum by 10% of average monthly consumption of previous 12 months before audit.
- d. Even after taking all steps as mentioned above for efficient use of energy and water, if consumption is increasing with reference to increase in production then such claim will be examined separately by the committee to be constituted by SLAC.

5.8 Assistance for Technology Acquisition

- a. Assistance for acquisition of appropriate technology from recognized institution for its product/ process during the operative period of the Policy, will be provided by way of 65% of the cost payable subject to a maximum of INR 50 lakh, including royalty payment for first two years.
- b. The Industrial Unit shall have to obtain prior approval of Industries Commissionerate within one year after signing of MOU/agreement/contract with technology provider.
- c. Assistance will be available to New Industrial Unit as well as existing Industrial Unit for acquiring technology.
- d. Assistance will not be eligible for purchase of any plant and machinery or equipment.
- e. Patented Technology acquired from Indian Companies/foreign companies will also be eligible.

5.9 Electricity Duty

Large industrial undertakings shall be eligible to receive exemption from Electricity Duty as applicable under the Gujarat Electricity Act, 2003.

5.10 General Conditions

The incentives granted under the Policy shall be subject to the following conditions:

- a) An Industrial Unit shall be required to employ persons domiciled in Gujarat to the extent of at least 85% of its total number of employees in all categories. The employment of persons domiciled in Gujarat in managerial and supervisory capacity shall not be less than 60% of the number of persons employed by the Industrial Unit in managerial and supervisory capacity.
- b) The Industrial Unit shall have to submit applicable certificate from GPCB to the Industries Commissioner.
- c) The Industrial Unit that has availed assistance under this Policy will not be entitled to avail benefit under any other Scheme of the State Government.
- d) The Industrial Unit may avail incentives under any scheme of Central Government. However, the total incentives received from State and Central Government scheme should not exceed the Eligible Fixed Capital Investment.
- e) Any investment made by an Existing Industrial Unit for renovation, rehabilitation, or rationalization will not be eligible for incentive under this Policy.
- f) An Industrial Unit that has availed incentive under this Policy shall be required to remain in production continuously till the expiry of the eligible period of incentive. However, if production is discontinued for specific period due to reasons beyond the

control of the management, the sanctioning authority may condone the period for which production is discontinued after due verification of details and reasons of discontinuation of production and after satisfying itself to the same.

- g) Multiple projects for same product within same premise shall be treated as a single project.
- h) The Industrial Unit shall furnish to the Industries Commissioner/General Manager District Industries Centre information regarding production and employment for each financial year within 60 days of the close of the financial year. It shall also furnish information on such other matters that the State Government may require from time to time.
- i) In case of breach of any one or more of the conditions of this GR, the incentives disbursed under the Policy shall be liable to be recovered as an arrear of land revenue or in any other appropriate manner the government may deem fit along with interest at the rate of eighteen percent per annum from the date of first availment of such incentive. Further, the non-disbursed incentive amount due to the eligible industrial Unit shall also be liable to be forfeited.
- j) After completion of three years from the last date of Eligible Investment Period, the average production for previous three consecutive years should be at least 50% of actual installed capacity. For the year when such average production is less than 50% of the Installed Capacity, the incentive amount for such year will be reduced proportionately to the percentage of total eligible incentive for that particular year.
E.g. If the production of a unit is 45% in a particular year (i.e. 10% less than minimum required capacity of 50%), the incentive amount in that year shall also be reduced by 10% of the eligible incentives of that year.

If the average production consistently remains less than 50% of the Installed Capacity for three consecutive years, the incentive amount will be discontinued till the average production reaches 50% of Installed Capacity. For such period where the incentives are discontinued, the Industrial Unit will not be entitled to claim any arrear and / or extension of incentive period.

- k) The Industries Commissioner may separately issue guidelines for the implementation of the Policy.

6.0 Fiscal Incentives to Labour Intensive Unit

New Industrial Unit or Existing Industrial Unit which carrying out expansion/diversification, of eligible activities as specified in para 4, will be eligible for the following incentives provided that it comply the conditions of Labour Intensive Unit.

6.1 Capital Subsidy

Financial assistance by way of **Capital Subsidy** for eligible activities as specified in para 4.

6.1.1 Quantum of Assistance:

Category of Taluka	Activity – 1	Activity – 2
Category 1 & PM MITRA PARK	35% of eFCI, Maximum INR 150 Crore	25% of eFCI, Maximum INR 150 Crore
Category 2	30% of eFCI, Maximum INR 150 Crore	25% of eFCI, Maximum INR 150 Crore
Category 3	25% of eFCI, Maximum INR 150 Crore	25% of eFCI, Maximum INR 150 Crore

Conditions for availing **Capital Subsidy** will be applicable as specified in para 5.1.2.

6.2 Interest Subsidy

Financial assistance by way of Credit-Linked Interest Subsidy for eligible activities as specified in para 4.

6.2.1 Quantum of Assistance

Category of Taluka	Activity – 1	Activity – 2
Category 1 & PM MITRA PARK	@7% on Term Loan for 8 years; Maximum 3% of eFCI per annum	@7% on Term Loan for 8 years; Maximum 3% of eFCI per annum
Category 2	@7% on Term Loan for 8 years; Maximum 3% of eFCI per annum	@7% on Term Loan for 8 years; Maximum 3% of eFCI per annum
Category 3	@7% on Term Loan for 8 years; Maximum 3% of eFCI per annum	@7% on Term Loan for 8 years; Maximum 3% of eFCI per annum

Conditions for availing **Interest Subsidy** will be applicable as specified in para 5.2.2.

6.3 Power Tariff Subsidy

Financial assistance by way of Power Tariff Subsidy for eligible activities as specified in para 4.

6.3.1 Quantum of Assistance:

Power Tariff Subsidy	
Activity - 1	INR 1/unit (kWh) for DISCOM Power or Renewable Power through open-access or drawl of power from group captive renewable energy plant with a cap of INR 15 Cr/Year for period of 5 years from DoCP
Activity - 2	

Conditions for availing **Power Tariff Subsidy** will be applicable as specified in para 5.3.2.

6.4 Payroll Assistance:

Financial assistance by way of **Payroll Assistance**.

6.4.1 Quantum of Assistance:

Payroll Assistance	
Garment, Apparel & Made-ups (including Composite Unit)	INR 5000 per Female Worker & INR 4000 per Male Worker per month for period of 10 years
Technical Textile (including Composite Unit)	INR 3000 per Female Worker & INR 2000 per Male Worker per month for period of 10 years

Conditions for availing **Payroll Assistance** will be applicable as specified in para 5.4.2.

6.5 Assistance to SHG for job work

The following incentives can be availed by the SHG:

Assistance to SHG for Job Work	
Activity	Quantum
Training Assistance	INR 5000 per month per member for a period of 3 months
Payroll Assistance	25% of job work value turnover limited to INR 5000 per month per member for 5 years
In case, if SHG is independently engaged in the manufacturing (not doing job work) as defined under this Resolution, then it will not be eligible for the above incentives.	

Conditions for availing **SHG for Job Work Assistance** will be applicable as specified in para 5.5.2.

7. Application for Registration:

Other than MSME Unit as defined in para 3.22, the Industrial Unit for incentive under this Policy shall apply for registration to the Industries Commissioner in the format to be prescribed by Industries Commissioner within one year from the date of the first disbursement of term loan or one year from the date of commencement of commercial production or one year from the effective date of the operative period of this resolution, whichever is later. The application has to be made to the Industries Commissioner in the prescribed format along with the following documents, as applicable:

- a. Document of registration of the industrial undertaking, as applicable under law, and the Industrial Entrepreneur Memorandum, as prescribed by Government of India.
- b. Documents related to legal possession of land with valid non-agriculture permission for industrial use, and registered purchase/Lease/Rent deed. If the plot or shed is in GIDC estate, a copy of possession letter should be attached.
- c. Consent to Establish from GPCB, if applicable.
- d. Detailed Project Report.
- e. Term loan sanction letter from financial institution(s), if applicable.

On receipt of the application and after the scrutiny and verification of relevant documents as per the procedure prescribed, registration certificate will be issued by the Industrial Commissioner.

A project having registration will have to commence commercial production during the operative period of the policy.

8. Application for Provisional/Final Eligibility Certificate:

8.1 Application for Industrial Unit

- a. **MSME Units:** After DoCP, the Industrial Unit having **GFCI upto INR 10 Crore** shall submit an application to General Manager, District Industries Center and the Industrial Unit having **GFCI above INR 10 Crore and upto 50 Crore** shall submit to **MSME Commissioner** for Provisional Eligibility Certificate within one year from DoCP or within one year from the date of issuance of this GR, whichever is later.
- b. **Other than MSME Units:** After DoCP, the Industrial Unit, having registration shall submit an application for Provisional Eligibility Certificate to Industries Commissioner within one year from DoCP or within one year from the date of issuance of registration certificate, whichever is later.

- 8.2 If the entire investment gets completed at the time of application, the Industrial Unit may apply directly for Final Eligibility Certificate instead of Provisional Eligibility Certificate.
- 8.3 If entire investment is not completed within Eligible Investment Period (as defined in 3.20), the Industrial Unit will have to submit application for final eligibility certificate within one year from the last date of investment period.
- 8.4 The Industrial Unit submitting application after the time limit prescribed shall be subject to deduction of delayed period beyond the eligible period as defined above.
- 8.5 On receipt of the application for Provisional Eligibility Certificate, the application would be scrutinized and the Provisional Eligibility Certificate for assistance will be issued by the General Manager / Industries Commissioner based on the certificate of Chartered Accountant and Chartered Engineer for the eligible investment made and work completed till the date of commercial production.
- 8.6 On receipt of the application for Final Eligibility Certificate, the General Manager/Industries Commissioner will scrutinize and constitute an Asset Verification team to verify the investment details. The entitlement of assistance will be calculated based on assets verification report. The Asset Verification report of the team shall be placed before the Sanctioning Authority for sanction of assistance.
- 8.7 The Final Eligibility of assistance shall be approved by the Sanctioning Authority. Thereafter, the eligibility certificate for availing assistance shall be issued by the General Manager/Industries Commissioner.

9. Procedure:

- 9.1 Industries Commissioner is authorized for **implementation, monitoring and for the Impact assessment review** of the Policy.
- 9.2 The Industries Commissioner will issue the guidelines for Policy implementation, third party inspection, audit, monitoring, technical opinion, forensic audit as may be required. The expenditure incurred on obtaining these services will be booked under the budget head mentioned in this Policy.

10. Sanctioning Authorities:

The incentives to the eligible Industrial Unit will be sanctioned by the following authorities:

10.1 State Level Empowered Committee (SLEC) for GFCI above INR 50 Crore and Labour Intensive Unit

1.	Hon'ble Minister/MoS (Industries)	Chairperson
2.	ACS/PS, Industries and Mines Dept.	Member

3.	ACS/PS, Finance Dept.	Member
4.	ACS/PS, Labour, Skill Development and Employment Dept.	Member
5.	ACS/PS, Energy and Petrochemicals Dept.	Member
6.	Chairman, GPCB	Member
7.	President, GCCI or representative	Member
8.	Industries Commissioner	Member Secretary

10.2 State Level Approval Committee (SLAC) for GFCI above INR 10 Crore upto INR 50 Crore

1.	ACS/PS, Industries and Mines Dept.	Chairperson
2.	Industries Commissioner	Member
3.	JS/DS, Finance Dept.	Member
4.	JS/DS, Industries and Mines Dept.	Member
5.	JS/DS, Forests and Environment Dept.	Member
6.	JS/DS, Labour, Skill Development and Employment Dept.	Member
7.	JS/DS, Energy and Petrochemicals Dept.	Member
8.	President, GCCI or representative	Member
9.	Addl./Joint/Deputy Industries Commissioner	Member Secretary

10.3 District Level Committee for GFCI upto INR 10 Crore

1	Collector	Chairperson
2	District Development Officer	Member
3	Assistant Commissioner of Labour	Member
4	District Lead Bank Officer	Member
5	Managing Director, DISCOM	Member
6	General Manager, DIC	Member Secretary

Any dispute / interpretation or contention under this Policy shall be referred to the SLEC whose decision shall be final and binding on the applicant.

11. Options for availing incentives / financial assistance under this scheme or previous scheme

- The Industrial unit that have commenced commercial production before the operative period of this GR, whether applied under previous scheme or not shall continue under the previous scheme as extended upto 30.09.2024. Such Industrial unit shall have to submit the application under

the previous scheme within 6 months from the date of issue of this GR.

- ii. The industrial unit that have initiated the investment before the date of issue of this GR but not commenced commercial production will be eligible for financial assistance under this policy for the fixed capital investment made after 01.01.2024. Such unit shall have to apply for registration within period of 6 months from the date of issue of this GR. In such case, the investment made after 01.01.2024 will be consider to determine the eligible fixed capital investment.

12. Chief Minister's Cabinet Committee for Industrial Promotion & Monitoring (CCCIPM):

As a special case, in respect of the Industrial Unit proposing investment in the State with an employment of more than 5000 workers for the eligible activities mentioned in this GR, the Chief Minister's Cabinet Committee for Industrial Promotion & Monitoring (CCCIPM), formed under I&MD GR No. IND-102015-66447-I dated 21/02/2015, may sanction **customized package** on a case-to-case basis or make suitable changes in the terms and conditions of the incentives or may sanction additional incentives, over and above mentioned in this Policy in the larger interest of the State.

13. Expenditure:

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

Demand Number: 49 (Plan)
Major head: 2852 Industries
Sub-major Head: 80 (General)
Minor head: 800 other expenditure
Sub Head: IND-9: Development of Textile Industry

This issue with the concurrence of the Finance Department vide note dated 22/08/2024 and Government dated 11/10/2024 on this Department file of even number.

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

(J B Patel)

Joint Secretary

Industries and Mines Department

Copy to:

1. *Principal Secretary to Hon'ble Governor of Gujarat, Raj Bhavan, Gandhinagar.
2. Chief Principal Secretary to Hon'ble Chief Minister, Sachivalaya, Gandhinagar.
3. Additional Chief Secretary to Hon'ble Chief Minister, Sachivalaya, Gandhinagar.
4. Secretary to Hon'ble Chief Minister, Sachivalaya, Gandhinagar.
5. Personal Secretary to all Hon'ble Ministers, Sachivalaya, Gandhinagar.
6. Additional Secretary to Chief Secretary, Sachivalaya, Gandhinagar.
7. Principal Secretary, Industries and Mines Department, Sachivalaya, Gandhinagar.
8. Principal Secretary, Finance Department, Sachivalaya, Gandhinagar.
9. Accountant General, Gujarat, Ahmedabad/Rajkot.
10. Commercial Tax Commissioner, Ahmedabad.
11. Industries Commissioner, Udyog Bhavan, Gandhinagar.
12. Managing Director, GIDC, Udyog Bhavan, Gandhinagar.
13. Managing Director, INDEXTb, Udyog Bhavan, Gandhinagar.
14. C. E. O. GIDB, Udyog Bhavan, Gandhinagar.
15. Commissioner of Cottage and Rural Industries, Udyog Bhavan, Gandhinagar
16. Secretary, Gujarat Electricity Regulatory Commission, Ashram Road, Ahmedabad.
17. Director of Employment and Training, Dr. Jivraj Mehta Bhavan, Gandhinagar.
18. Director of Information, Dr. Jivraj Mehta Bhavan, Gandhinagar.
19. All District Industries Centres (Through Industries Commissioner)
20. All Departments of Sachivalaya, Gandhinagar.
21. The President, Gujarat Chamber of Commerce and Industries, Ashram Road, Ahmedabad.
22. Computer Cell, Industries and Mines Department, Sachivalaya, Gandhinagar.
23. Branch Select File
24. Dy SO Select File

* By letter

