

## **Integrated and Sustainable Textile Policy 2023-2028.**

**Government of Maharashtra**  
**Co-operation, Marketing and Textile Department**  
**Government Resolution No.: Policy 2023/C.R. 81/Tex-5**  
Mantralaya, Mumbai 400 032  
Dated – 2<sup>nd</sup> June 2023

### **Introduction-**

Textile and Apparel industry has witnessed panoramic changes for decades and is now going through another paradigm shift in terms of automation in manufacturing technologies and processes. India is a world leader in textiles from fiber to apparel and has a very promising value chain in place in respect to the changing processes and technologies. Textile Industry plays an important role in the national economy owing to its major contribution to GDP, industrial production, employment, and exports. The country is the world's second-largest producer of textiles and garments and the fifth-largest exporter of textiles spanning apparel, home and technical products. The textiles and apparel industry contribute 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry is one of the largest sources of employment generation in the country with an estimated 45 million people directly engaged in this sector including women and rural population.

2. Government of India is implementing various schemes catering exclusively for promotion and development of textile sector on pan-India basis viz the Production Linked Incentives Scheme, Amended Technology Upgradation Fund Scheme (A-TUFS), Schemes for the development of the Powerloom Sector (Power-Tex), Scheme for Integrated Textile Parks (SITP), SAMARTH- The Scheme for Capacity Building in Textile Sector, Jute (ICARE- Improved Cultivation and Advanced Retting Exercise), Integrated Processing Development Scheme (IPDS), Silk Samagra, National Handloom Development Programme, National Handicraft Development Programme, Integrated Wool Development Programme (IWDP) etc.

3. Technical textiles, a sunrise sector, accounts for approximately 13% of India's total textile and apparel market, contributing 0.7% to India's GDP and supporting vast array of other industries. The global growth rate of the technical textile will increase at approximately 4.9% from 2022-2030. The Indian market is brimming with remarkable opportunities in technical textiles and various schemes and initiatives such as National Technical Textile Mission and Production Linked Incentives (PLI) are emphasizing extensively on the importance of technical textiles in boosting the economy.

4. Maharashtra comprises a significant chapter in the remarkable growth story of India as a textile's powerhouse. The textile sector plays a crucial role in the state's economy, being the second-largest employment enabler in Maharashtra, after agriculture. The State accounts for 10.4% of the country's total textile and apparel production and 10.2% of the total employment

in this sector. Additionally, the State produces 272 million kilograms of yarn, which is 12% of India's gross production.

5. The state has efficient rail, road, port and airport infrastructure for connectivity, availability of electricity, skilled manpower and abundant cotton. The policy aims to strengthen the entire textile value chain including cotton, wool, silk, handloom, technical textile, non-convention yarn and synthetic yarn. The policy aims to strengthen the supply chain with focus on how processes can be made more sustainable in a long-term perspective. It lays greater emphasis on research and skill development and encourages women empowerment. Under this policy, the State will collaborate with leading technical institutes in the textile sector to undertake world class research & development projects. The State has set an objective of achieving 80% in house processing of its cotton production. Maharashtra is also a leader in non-traditional silk production in the country and excels in production of tasar and mulberry silk. The traditional textile sector of the state is well recognized, and its products have a place of prominence in the national and international market.

6. To enhance the growth of the State Textile Industry and to provide handholding support to the Textile Industry with necessary interventions, the Government of Maharashtra released the "Textile Policy 2018-2023" during the year 2018. The policy laid special focus on development of the textile industry in cotton growing areas. Boasting a world-class infrastructure for procurement, storage and processing, the state increased its processing capacity of cotton and increased mulberry and tasar cultivation. The Textile Policy 2018-2023 ended on 31st March 2023 and has been given extension till announcement of the new policy. The textile industry in Maharashtra needs to evolve and capture new and emerging opportunities in this rapidly changing global business environment. Therefore, the State is coming up with an Integrated and Sustainable Textile Policy for a period of 5 years. The proposal for approval of the Integrated and Sustainable Textile Policy 2023-28 was tabled in the Cabinet meeting on 30 May 2023 and as per the approval, the Government Resolution is being issued.

### **Government Resolution-**

As mentioned in the above Introduction, the Integrated and Sustainable Textile Policy 2023-28 of the State is hereby approved wide this Government Resolution. The salient features of this policy are enumerated in the following paragraphs.

## **1. Period of the Integrated and Sustainable Textile Policy 2023-2028**

This Integrated and Sustainable Textile Policy and all related schemes will come into effect from the date of issuance of this Government Resolution and will remain in force till 31st March 2028. In case the new policy does not get formulated by 31st March 2028, this policy will remain in operation for a maximum period of 1 year only.

## **2. Vision of the Integrated and Sustainable Textile Policy 2023-2028**

Integrated and Sustainable Textile Policy of the State is in line with the 5F vision of the Government of India- Farm to Fiber to Factory to Fashion to Foreign. The policy envisions integrating the whole textile value chain and create an enabling environment for sustained growth of all sub-sectors in the industry. The policy will strengthen the supply chain management of the textile sector and effectively disseminate information to all the stakeholders on ground to make them aware about the provisions and incentives in the policy. The Government will encourage sector-wide collaborations to accelerate a just transition towards sustainable textile value chain through 3-R model viz Reduce, Reuse and Recycle.

## **3. Objectives of the of the Integrated and Sustainable Textile Policy 2023-2028**

- 1) **Increase the processing capacity** of cotton from 30% to 80% in the next 5 years.
- 2) Promote **state of art infrastructure and technological upgradation** to promote textile value chain in the State.
- 3) Policy envisages attracting **investment of INR 25,000 crore and employment generation up to 5 lakhs** in next 5 years.
- 4) Provide additional financial incentives to promote women empowerment and bring gender balancing in the textile industry by encouraging participation of women at all levels of management in textile industry.
- 5) Provide support for **skill development and capacity building** to ensure availability of skilled manpower to textile industry and increase employability in the sector.
- 6) Development of six (6) **Technical Textile Parks** in the State by encouraging private investment.
- 7) Promotion of **Research and Development and Innovation** to promote environment friendly processes/ technologies in textile sector.
- 8) Creation of Maharashtra Technical Textile Mission for promotion of technical textile sector.

- 9) Establishment of Maharashtra State Textile Development Corporation for overall responsibility of development of textile sector and Maharashtra Technical Textile Mission.
- 10) Emphasizing the use of Information Technology to promote ease of doing business.
- 11) Promotion and development of Traditional Textile Sector

#### **4. The State of Maharashtra has been broadly divided into 4 zones based upon the development of textile sector and availability of inputs for the textile industry.**

- 1) Zone 1 (Vidarbha includes Nagpur and Amaravati Divisions)
- 2) Zone 2 (Marathwada includes Aurangabad Division including Dhule and Jalgaon Districts)
- 3) Zone 3 (North Maharashtra includes Nashik Division excluding Dhule and Jalgaon Districts)
- 4) Zone 4 (Western Maharashtra & Konkan includes Pune and Konkan Divisions)

The district classification of the Zones is given in Annexure B.

#### **5. Definitions and Abbreviations**

##### **Definitions-**

- i. **Basic cost-** It means cost of machinery excluding taxes, duties and any other charges.
- ii. **Capital Investment Subsidy (CIS)-** It means any subsidy at prescribed rate on capital investment to an entity engaged in the textile sector on upgradation/expansion which will be determined by the basic cost of eligible machinery.
- iii. **Composite Unit:** A project comprising minimum two activities of the value chain i.e. spinning, weaving, knitting, processing and garmenting
- iv. **Diversification Project:** Any project undertaken by an existing unit to produce additional product(s) in textile value chain.
- v. **Existing Project:** Any project existing prior to the announcement of this policy.
- vi. **Eligible Machinery:** Machinery eligible under centrally sponsored TUFS scheme (including any subsequent modifications by the Central Government to these schemes) or machinery approved by the State Government. (Only new machinery will be considered for incentives. Old/ refurbished machinery will not be considered)
- vii. **Eligible Amount:** Amount calculated for disbursement of incentives/ subsidy/ reimbursement to the eligible units.

- viii. **Expansion Project:** Any existing project increasing its fixed capital investment by 25% and increasing its total production capacity by 25% as compared to the previous year. The Project must generate 10% more employment than the existing project. Such expansion will include forward and backward integration.
- ix. **Fixed Capital Investment (FCI):** Fixed capital investment will include the basic cost of plant and machinery. This will not include the cost of land and building construction. The detailed project report (DPR) of the new textile unit will include the cost of setting up the solar power plant up to a maximum limit of 4 MW (excluding land and building construction) in the eligible plant and machinery, for calculating the capital subsidy payable.
- x. **Integrated-** Horizontal and vertical integrations in the textile value chain.
- xi. **Micro, Small and Medium Enterprises (MSME)-** MSME will include Projects where the total investment in plant and machinery in the project is up to Rs. 50 crore or as amended by Government of India (Micro, Small and Medium Enterprises Development (MSMED) Act, 2006) from time to time.
- xii. **Large Enterprises-** Project having fixed capital investment not greater than INR 100 crore or providing employment to minimum 500 individuals.
- xiii. **Mega Enterprises-** Project having fixed capital investment greater than INR 100 crore or providing employment to minimum 1000 individuals.
- xiv. **Ultra-Mega Enterprises:** Project having fixed capital investment greater than INR 1000 crore or employment to minimum 2000 individuals will be treated as Ultra Mega project.
- xv. **New Project:** Any project established and starting production during the period of this policy.
- xvi. **Project Cost:** Total cost of the project including the cost of land, building, solar power plant, plant and machinery as given in the Detailed Project Report.
- xvii. **Sustainable-** The policy gives special consideration for environmental impacts of the products during their whole life cycle. Special incentives have been given for the establishment of Zero Liquid Discharge, Effluent Treatment Plants and Solar plants for eco-friendly establishments.
- xviii. **Technical Textiles:** Such textile production which is aimed not only at fabric production but also at creating products which could be used in the industrial, defense, research and other advanced sectors due to its specialized technical properties. These products are classified into following categories based on their quality and end use: (1) Agro tech, (2) Build tech, (3) Cloth tech, (4) Geo tech (5) Home tech, (6) Ind tech , (7)

Medi tech, (8) Mobile tech, (9) Echo tech, (10) Pack tech, (11) Pro tech (Protective textile) (12) Sport tech, (13) Defence tech, (14) Products announced by Textiles Ministry of Central Government from time to time.

- xix. **Technology Upgradation-** It means induction of new machinery by an entity engaged in the textile industry with state-of-the-art technology as specified by the State Government Resolution from time to time. Technology lower than the specified one will not be treated as Technology Upgradation.
- xx. **MAHA-TUF Scheme:** MAHA-TUF Scheme of Government of Maharashtra as amended from time to time.
- xxi. **Zones-** In order to ensure regional balanced growth, the State has been divided into 4 Zones based on the level of cotton production, development of textile infrastructure such as parks/ clusters, level of skill development etc. The 4 Zones are- Zone 1 (Vidarbha), Zone 2 (Marathwada including Dhule and Jalgaon Districts), Zone 3 (North Maharashtra excluding Dhule and Jalgaon Districts) and Zone 4 (Western Maharashtra and Konkan). The district classification of the Zone is given in Annexure B.

### Abbreviations

S. No	Abbreviations	Full Forms
1.	PLI	Production Linked Incentives
2.	CIS	Capital Investment Subsidy
3.	DFLs	Disease Free Laying
4.	ETP	Effluent Treatment Plants
5.	ZLD	Zero Liquid Discharge
6.	MSEDCL	Maharashtra State Electricity Distribution Co. Ltd.
7.	MEDA	Maharashtra Energy Development Agency
8.	MSTDC	Maharashtra State Textiles Development Corporation

## 6. General Administrative Measures for Textile Sector

- i. The eligible units which have already applied for incentives under the previous policy i.e., “Textile Policy 2018-2023” of the state will continue to get benefits under that policy till the time all due benefits have been disbursed to the units.
- ii. The Department will formulate a detailed Scheme for rehabilitation of sick cooperative units.
- iii. The Department will formulate a detailed Scheme for giving Cooperative spinning mills on lease or rent.

- iv. The Department will formulate a detailed Scheme for permitting cooperative spinning mills for sale of excess land.
- v. In case Central Government comes up with a new scheme related to the Textile sector, the State shall come out with a Government Resolution from time to time to adopt and implement the scheme in the state.
- vi. The total amount of subsidy to any unit/enterprise will not exceed 100% of FCI including the incentives given by the Central Government and other departments of the State Government.
- vii. The Department will form a committee which will recommend the list of machinery to be considered eligible under MAHA-Technology Upgradation Fund Scheme.
- viii. To ensure effective use of the available Human Resources and effective implementation of the policy and other such schemes related to the Textile Sector, strengthening of the Textile Department will be undertaken at all levels. The Commissionerate of Textile and Directorate of Silk will be merged to create- **Commissionerate of Textile and Sericulture with corresponding mergers at regional levels** which will be named as Regional Commissionerate of Textile and Sericulture. These will work co-terminus with the revenue divisions of Maharashtra.
- ix. Maharashtra State Textiles Development Corporation (MSTDC) will be established on the lines of Maharashtra Industrial Development Corporation (MIDC) under the Co-operation, Marketing and Textiles Department, Government of Maharashtra post a functional merger of the three corporations namely, Maharashtra State Textiles Corporation, Maharashtra State Powerloom Corporation and Maharashtra State Handloom Corporation. The new Corporation will have a detailed scope of work including the relevant functions of these corporations along with additional scope as per the emerging scenario in the textile industry.
- x. An amount equivalent to 2% of Department's annual budget will be available for the purpose of administrative expenses including but not limited to policy promotion, policy implementation, expenditure related to Project Management Agency and all such related expenditures as maybe needed from time to time.
- xi. The period of disbursement of capital subsidy and the Maha Technology Upgradation Fund Scheme is as follows:

In both the above schemes, the capital subsidy will be paid after the project comes into production. This will be paid in two installments:

- i. 1st instalment: 60% of eligible amount after 12 months.
- ii. 2nd instalment: 40% of eligible amount after 24 months.

## 7. Sub-sector wise incentives and measures for development of Textile industry are as under-

### 7.1 Ginning and Pressing Sector

The ginning and pressing industry in the State has been gaining momentum in recent times due to various incentives offered by centrally sponsored and state sponsored schemes. To further strengthen the sector and make it future ready, the following incentives and subsidy will be provided to the Ginning and Processing units in the state.

#### Incentives-

The incentives disbursed to the ginning and pressing sector will vary as per the Zones. The Zonal classification is given in Annexure B.

#### 1. Capital and Electricity Subsidy:

**Table 1**

S.No	Size/ Zone	Financial Assistance in form of Capital Subsidy-% (on fixed capital investment)	Electricity Subsidy
<b>MSME</b>			
1	Zone 1	45%	As per Annexure A
2	Zone 2	40%	
3	Zone 3	35%	
4	Zone 4	30%	
<b>Large Enterprises</b>			
1	Zone 1	40%	As per Annexure A
2	Zone 2	35%	
3	Zone 3	30%	
4	Zone 4	25%	
<b>Mega Enterprises</b>			
1	Zone 1	55% with a maximum up to INR 250 crore, whichever is less	As per Annexure A
2	Zone 2	50% with a maximum up to INR 225 crore, whichever is less	
3	Zone 3	45% with a maximum up to INR 200 crore, whichever is less	

4	Zone 4	40% with a maximum up to INR 175 crore, whichever is less	
<b>Ultra-Mega Enterprises</b>		<ul style="list-style-type: none"> <li>• High Power Committee (HPC), under Chief Secretary will be constituted to approve the Special Package of Incentives to Ultra Mega projects.</li> <li>• For ultra-mega projects the investment will have to be made within a period of 10 years from the date of issue of Letter of Intent from the Department.</li> </ul>	As per Annexure A
<b>Please Note</b>		<ul style="list-style-type: none"> <li>• Additional capital subsidy of 5% for SC/ST/ Minority / Ex-servicemen units.</li> <li>• Additional subsidy of 5% will be eligible for units being run by women (provided that more than 50% of the employees working are women).</li> <li>• In case the number of women employees exceed 50, it will be mandatory for the units to have an availability of crèche facility to qualify for the additional subsidy.</li> </ul>	

- i. In the case of electricity subsidy for **existing units**, subsidy will be provided as per the rates given in Annexure A for a period of 2 years only.
- ii. Post the set period of 2 years, no electricity subsidy will be provided. However, the subsidy amount of 12 months will be calculated and provided as capital subsidy for establishment of solar power plant.
- iii. The guiding principles for the solar project for the existing units will be as follows-
  - o The DPR for solar plant shall be weighed and approved by Maharashtra Energy Development Agency (MEDA) or any other such agency decided by the Govt. from time to time.
  - o The capital subsidy (electricity subsidy for 12 months/ cost of the power plant up to maximum of 4MW/ capping of INR 4.8 crore, whichever is less) will be provided in 2 equal instalments (with a gap of six months between the instalments) post the operationalization of solar power plant.
- iv. There will be a cap of INR 40 lakh per unit per month on the disbursement of monthly electricity subsidy.

- v. For **new units/ units undertaking expansion**, units will include the cost of installation of solar power plant in the Detailed Project Report (DPR) and the capital subsidy will be calculated on the fixed capital investment (eligible plant and machinery and solar plant) up to maximum of 4MW capacity.
- vi. Although Textile Units/Projects can establish solar plants of more than 4MW capacity, the entire financial burden for establishing capacity over 4MW shall be borne by the unit/project itself.
- vii. In any case the total capacity of solar power plant being established shall not exceed the approved load / contract demand of conventional energy.

### **Important to Note-**

- After the installation of solar power plant units, it shall be the responsibility of the textile units to maintain its operationality. For any reason, if the solar power generation unit goes unserviceable, the tariff for electricity being supplied by Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) will be applicable without any subsidies/ reductions.
- There shall be no cap of 1MW on Net Metering for the textile units.
- The State Government's Energy Department will not levy charges other than "transmission charges" on projects using non-conventional sources (solar, wind, etc.) of energy.
- When any unit is simultaneously using conventional and non-conventional power, the use of both the power sources will be taken into consideration to decide the load factor.

## **7.2 Spinning Sector**

### ***7.2.1 Cooperative Spinning Mills***

Co-operative spinning mills have been instrumental in initiating socio-economic changes in the State, by playing a significant role in rural industrialization and providing additional job opportunities to the workforce in rural areas. As many as 140 co-operative spinning mills in the State have been given financial assistance of INR 2046.67 crore by way of share capital. To further strengthen the sector and encourage new co-operative units in various parts of the State, the following incentives will be provided to the cooperative spinning mills.

### **Incentives-**

The incentives disbursed to the cooperative spinning sector will vary as per the Zones. The Zonal classification is given in Annexure B.

**1. Share Capital:**

- For the new cooperative units under this policy, ratio of self-equity, government equity and loan from financial institutions will be as per Zones in Table 2-

**Table 2**

Zones	Self-equity	Government equity	Loan from financial institutions
Zone 1	5	45	50
Zone 2	10	40	50
Zone 3	15	35	50
Zone 4	20	30	50

**Important Note-**The cooperative units availing share capital from the State Government shall not be eligible for capital subsidy.

2. **Electricity Subsidy:** The rates for the electricity subsidy will be as follows-

**Table 3**

Zones	Electricity Subsidy
Zone 1	As per Annexure A
Zone 2	
Zone 3	
Zone 4	

- In the case of electricity subsidy for existing units, subsidy will be provided as per the rates given in Annexure A for a period of 2 years only.
- Post the set period of 2 years, no electricity subsidy will be provided. However, the subsidy amount of 24 months will be calculated and provided as capital subsidy for establishment of solar power plant.
- The guiding principles for the solar project for the existing units will be as follows-
  - The DPR for solar plant shall be weighed and approved by Maharashtra Energy Development Agency (MEDA) or any other such agency decided by the Government from time to time.
  - The capital subsidy (electricity subsidy for 24 months/ cost of the power plant up to maximum of 4MW/ capping of INR 9.6 crore, whichever is less) will be provided in 2 equal instalments (with a gap of 6 months between the instalments) post the operationalization of solar power plant.

- iv. There will be a cap of INR 40 lakh per unit per month on the disbursement of monthly electricity subsidy.
- v. For new units/ units undertaking expansion, units will include the cost of installation of solar power plant in the Detailed Project Report (DPR) and the capital subsidy will be calculated on the fixed capital investment (eligible plant and machinery and solar plant) up to maximum of 4 MW capacity.
- vi. Although Textile Units/Projects can establish solar plants of more than 4MW capacity, the entire financial burden for establishing capacity over 4MW shall be borne by the unit/project itself.
- vii. In any case the total capacity of solar powerplant being established shall not exceed the approved load / contract demand of conventional energy.

**Important to Note:**

- After the installation of solar power plant units, it shall be the responsibility of the textile units to maintain its operationality. For any reason, if the solar power generation unit goes unserviceable, the tariff for electricity being supplied by Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) will be applicable without any subsidies/ reductions.
- There shall be no cap of 1MW on Net Metering for the textile units.
- The State Government's Energy Department will not levy charges other than "transmission charges" on projects using non-conventional sources (solar, wind, etc.) of energy.
- When any unit is simultaneously using conventional and non-conventional power, the use of both the power sources will be taken into consideration to decide the load factor.

**3. Maharashtra Technology Upgradation Fund Scheme (MAHA-TUFS):**

- The scheme will facilitate the spinning units in augmenting investments, productivity, quality, employment and exports along with import substitution in the textile sector. The State will offer the following incentives to the eligible unit for reimbursement of Capital Investment Subsidy (CIS) for technology upgradation as per the following rates in various Zones-

**Table 4**

<b>Zones</b>	<b>Rate of Capital Investment Subsidy (CIS)</b>
Zone 1	40% of the basic cost of eligible machinery or INR 25 crore, whichever is less
Zone 2	35% of the basic cost of eligible machinery or INR 20 crore, whichever is less
Zone 3	30% of the basic cost of eligible machinery or INR 15 crore, whichever is less
Zone 4	25% of the basic cost of eligible machinery or INR 10 crore, whichever is less

The units will be considered for technology upgradation under the MAHA Technology Upgradation Fund Scheme (Maha-TUFS), provided:

- i. The unit have completed 15 years of production on the existing machinery.
  - ii. The unit has a net positive worth.
  - iii. The unit uses clean energy.
  - iv. The unit has paid-back/ returned at least 50% of the Government share capital.
  - v. The Detailed Project Report (DPR) under the MAHA-TUFS has been approved by the Committee formed by the state government.
4. **One Time Exit Policy** - Co-operative spinning mills will be allowed to be privatized provided they are ready to return the government equity, loan, and interest there upon. If there is any change in the industrial use of the land, then an amount will have to be paid to the government as per the prevailing rules. The detailed process for the same shall be defined through a separate Government Resolution.

### 7.2.2 Private Spinning Mills

Private spinning mills play a significant role in the processing of the overall cotton production of the state. The state has more than double the number of spinning mills in the private sector as compared to the mills in the cooperative sector.

#### Incentives-

The incentives offered to the spinning mills in the private sector will vary as per the Zones. The Zonal classification is given in Annexure B. The incentives offered are as follows-

#### 1. Capital and Electricity Subsidy:

**Table 5**

S.No	Size/ Zone	Financial Assistance in form of Capital Subsidy-% (on fixed capital investment)	Electricity Subsidy
<b>MSME</b>			
1	Zone 1	45%	As per Annexure A
2	Zone 2	40%	
3	Zone 3	35%	
4	Zone 4	30%	
<b>Large Enterprises</b>			
1	Zone 1	40%	As per Annexure A
2	Zone 2	35%	

3	Zone 3	30%	
4	Zone 4	25%	
<b>Mega Enterprises</b>			
1	Zone 1	55% with a maximum up to INR 250 crore, whichever is less	As per Annexure A
2	Zone 2	50% with a maximum up to INR 225 crore, whichever is less	
3	Zone 3	45% with a maximum up to INR 200 crore, whichever is less	
4	Zone 4	40% with a maximum up to INR 175 crore, whichever is less	
		<ul style="list-style-type: none"> <li>High Power Committee (HPC), under Chief Secretary will be constituted to approve the Special Package of Incentives to Ultra Mega projects.</li> <li>For ultra-mega projects the investment will have to be made within a period of 10 years from the date of issue of Letter of Intent from the Department.</li> </ul>	As per Annexure A
<b>Please Note</b>		<ul style="list-style-type: none"> <li>Additional capital subsidy of 5% for SC/ST/ Minority / Ex-servicemen units.</li> <li>Additional subsidy of 5% will be eligible for units being run by women (provided that more than 50% of the employees working are women).</li> <li>In case the number of women employees exceed 50, it will be mandatory for the units to have an availability of creche facility to qualify for the additional subsidy.</li> </ul>	

Note-

- i. In the case of electricity subsidy for existing units, subsidy will be provided as per the rates given in Annexure A for a period of 2 years only.

- ii. Post the set period of 2 years, no electricity subsidy will be provided. However, the subsidy amount of 12 months will be calculated and provided as capital subsidy for establishment of solar power plant.
- iii. The guiding principles for the solar project for the existing units will be as follows-
  - o The DPR for solar plant shall be weighed and approved by Maharashtra Energy Development Agency (MEDA) or any other such agency decided by the Govt from time to time.
  - o The capital subsidy (electricity subsidy for 12 months/ cost of the power plant up to maximum of 4 MW/ capping of INR 4.8 crore, whichever is less) will be provided in 2 equal instalments (with a gap of six months between the instalments) post the operationalization of solar power plant.
- iv. There will be a cap of INR 40 lakh per unit per month on the disbursement of monthly electricity subsidy.
- v. For new units/ units undertaking expansion, units will include the cost of installation of solar power plant in the Detailed Project Report (DPR) and the capital subsidy will be calculated on the fixed capital investment (eligible plant and machinery and solar plant) up to maximum of 4MW capacity.
- vi. Although Textile Units/Projects can establish solar plants of more than 4MW capacity, the entire financial burden for establishing capacity over 4MW shall be borne by the unit/project itself.
- vii. In any case the total capacity of solar powerplant being established shall not exceed the approved load / contract demand of conventional energy.

**Important to Note-**

- After the installation of solar power plant units, it shall be the responsibility of the textile units to maintain its operationality. For any reason, if the solar power generation unit goes unserviceable, the tariff for electricity being supplied by Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) will be applicable without any subsidies/ reductions.
- There shall be no cap of 1MW on Net Metering for the textile units.
- The State Government's Energy Department will not levy charges other than "transmission charges" on projects using non-conventional sources (solar, wind, etc.) of energy.
- When any unit is simultaneously using conventional and non-conventional power, the use of both the power sources will be taken into consideration to decide the load factor.

**2. Maha Technology Upgradation Fund Scheme (Maha-TUFS):**

- The scheme will facilitate the spinning units in augmenting investments, productivity, quality, employment, and exports along with import substitution in the textile sector. The State will offer the following incentives to the eligible unit for reimbursement of Capital Investment Subsidy (CIS) for technology upgradation as per the following rates in various Zones-

**Table 6**

<b>Zones</b>	<b>Rate of Capital Investment Subsidy (CIS)</b>
Zone 1	40% of the basic cost of eligible machinery or INR 25 crore, whichever is less
Zone 2	35% of the basic cost of eligible machinery or INR 20 crore, whichever is less
Zone 3	30% of the basic cost of eligible machinery or INR 15 crore, whichever is less
Zone 4	25% of the basic cost of eligible machinery or INR 10 crore, whichever is less

The units will be considered for technology upgradation under the MAHA Technology Upgradation Fund Scheme (MAHA-TUFS), provided:

- The unit have completed 15 years of production on the existing machinery.
- The unit has a net positive worth.
- The unit uses clean energy.
- The Detailed Project Report (DPR) under the MAHA-TUFS has been approved by the Committee formed by the state government.

**7.3 Powerloom Sector****7.3.1 Co-operative Powerlooms**

The state government has given financial support to 450 primary powerlooms and other co-operative units in the state under the scheme of NCDC (National Cooperative Development Corporation).

**Incentives-**

The incentives disbursed to the cooperative powerloom sector will vary as per the Zones. The Zonal classification is given in Annexure B. These incentives will be at par with the cooperative spinning sector.

**1. Share capital:**

- For the new cooperative powerloom units under this policy, ratio of self-equity, government equity and loan from financial institutions will be as given as per Zones in table 7. Incentives will be provided to the new Powerlooms based on latest technology

(excluding plain Powerloom), Weaving, Preparatory, Warping, Sizing, Conning, Twisting, Doubling, TFO and other units.

**Table 7**

Zones	Self-equity	Government equity	Loan from financial institutions
Zone 1	5	45	50
Zone 2	10	40	50
Zone 3	15	35	50
Zone 4	20	30	50

**Important Note-**The cooperative units availing share capital from the State Government shall not be eligible for capital subsidy.

2. **Electricity Subsidy:** The rates for the electricity subsidy will be as follows-

**Table 8**

Zones	Electricity Subsidy
Zone 1	As per Annexure A
Zone 2	
Zone 3	
Zone 4	

Note-

- i. In the case of electricity subsidy for existing units, subsidy will be provided as per the rates given in Annexure A for a period of 2 years only.
- ii. Post the set period of 2 years, no electricity subsidy will be provided. However, the subsidy amount of 24 months will be calculated and provided as capital subsidy for establishment of solar power plant.
- iii. The guiding principles for the solar project for the existing units will be as follows-
  - o The DPR for solar plant shall be weighed and approved by Maharashtra Energy Development Agency (MEDA) or any other such agency decided by the Govt from time to time.
  - o The capital subsidy (electricity subsidy for 24 months/ cost of the power plant up to maximum of 4 MW/ capping of INR 9.6 crore, whichever is less) will be provided in 2 equal instalments (with a gap of one year between the instalments) post the operationalization of solar power plant.
- iv. There will be a cap of INR 40 lakh per unit per month on the disbursement of monthly electricity subsidy.

- v. For new units/ units undertaking expansion, units will include the cost of installation of solar power plant in the Detailed Project Report (DPR) and the capital subsidy will be calculated on the fixed capital investment (eligible plant and machinery and solar plant) up to maximum of 4MW capacity.
- vi. Although Textile Units/Projects can establish solar plants of more than 4MW capacity, the entire financial burden for establishing capacity over 4MW shall be borne by the unit/project itself.
- vii. In any case the total capacity of solar powerplant being established shall not exceed the approved load / contract demand of conventional energy.

**Important to Note:**

- After the installation of solar power plant units, it shall be the responsibility of the textile units to maintain its operationality. For any reason, if the solar power generation unit goes unserviceable, the tariff for electricity being supplied by Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) will be applicable without any subsidies/ reductions.
- There shall be no cap of 1MW on Net Metering for the textile units.
- The State Government's Energy Department will not levy charges other than "transmission charges" on projects using non-conventional sources (solar, wind, etc.) of energy.
- When any unit is simultaneously using conventional and non-conventional power, the use of both the power sources will be taken into consideration to decide the load factor.

**3. Maharashtra Technology Upgradation Fund Scheme (MAHA-TUFS):**

- The scheme will facilitate the powerlooms in augmenting investments, productivity, quality, employment and exports along with import substitution in the textile sector. The State will offer the following incentives to the eligible unit for reimbursement of Capital Investment Subsidy (CIS) for technology upgradation as per the following rates in various Zones-

**Table 9**

<b>Zones</b>	<b>Rate of Capital Investment Subsidy (CIS)</b>
Zone 1	40% of the basic cost of eligible machinery or INR 25 crore, whichever is less
Zone 2	35% of the basic cost of eligible machinery or INR 20 crore, whichever is less
Zone 3	30% of the basic cost of eligible machinery or INR 15 crore, whichever is less
Zone 4	25% of the basic cost of eligible machinery or INR 10 crore, whichever is less

The units will be considered for technology upgradation under the MAHA Technology Upgradation Fund Scheme (MAHA-TUFS), provided:

- i. The unit have completed 15 years of production on the existing machinery.
- ii. The unit has a net positive worth.
- iii. The unit uses clean energy.
- iv. The unit has paid-back/ returned at least 50% of the Government share capital.
- v. The Detailed Project Report (DPR) under the MAHA-TUFS has been approved by the Committee formed by the state government.

**4. One Time Exit Policy** - Co-operative powerlooms will be allowed to be privatized provided they are ready to return the government equity, loan, and interest there upon. If there is any change in the industrial use of the land, then an amount will have to be paid to the government as per the prevailing rules. The detailed process for the same shall be defined through a separate Government Resolution.

### 7.3.2 Private Powerlooms

Maharashtra has over 13 lakh powerlooms accounting for 50% of the powerlooms in the country, playing an important role in the modern weaving sector.

#### Incentives:

The incentives offered to the powerlooms in the private sector will vary as per the Zones. Incentives will be provided to New Power looms based on latest technology (Excluding plain Powerlooms), Weaving, Preparatory, Warping, Sizing, Conning, Twisting, Doubling, TFO and other units which will vary as per the Zones. The Zonal classification is given in Annexure B. These incentives will be at par with the private spinning sector.

#### 1. Capital and Electricity Subsidy

**Table 10:**

S.No	Size/ Zone	Financial Assistance in form of Capital Subsidy-% (on fixed capital investment)	Electricity Subsidy
<b>MSME</b>			
1	Zone 1	45%	As per Annexure A
2	Zone 2	40%	
3	Zone 3	35%	
4	Zone 4	30%	

<b>Large Enterprises</b>			
1	Zone 1	40%	As per Annexure A
2	Zone 2	35%	
3	Zone 3	30%	
4	Zone 4	25%	
<b>Mega Enterprises</b>			
1	Zone 1	55% with a maximum up to INR 250 crore, whichever is less	As per Annexure A
2	Zone 2	50% with a maximum up to INR 225 crore, whichever is less	
3	Zone 3	45% with a maximum up to INR 200 crore, whichever is less	
4	Zone 4	40% with a maximum up to INR 175 crore, whichever is less	
<b>Ultra Enterprises</b>	<b>Mega</b>	<ul style="list-style-type: none"> <li>High Power Committee (HPC), under Chief Secretary will be constituted to approve the Special Package of Incentives to Ultra Mega projects.</li> <li>For ultra-mega projects the investment will have to be made within a period of 10 years from the date of issue of Letter of Intent from the Department.</li> </ul>	As per Annexure A
<b>Please Note</b>		<ul style="list-style-type: none"> <li>Additional capital subsidy of 5% for SC/ST/ Minority / Ex-servicemen units.</li> <li>Additional subsidy of 5% will be eligible for units being run by women (provided that more than 50% of the employees working are women).</li> <li>In case the number of women employees exceed 50, it will be mandatory for the units to have an availability of creche facility to qualify for the additional subsidy.</li> </ul>	

**Note-**

- i. In the case of electricity subsidy for existing units, subsidy will be provided as per the rates given in Annexure A for a period of 2 years only.

- ii. Post the set period of 2 years, no electricity subsidy will be provided. However, the subsidy amount of 12 months will be calculated and provided as capital subsidy for establishment of solar power plant.
- iii. The guiding principles for the solar project for the existing units will be as follows-
  - o The DPR for solar plant shall be weighed and approved by Maharashtra Energy Development Agency (MEDA) or any other such agency decided by the Govt from time to time.
  - o The capital subsidy (electricity subsidy for 12 months/ cost of the power plant up to maximum of 4 MW/ capping of INR 4.8 crore, whichever is less) will be provided in 2 equal instalments (with a gap of six months between the instalments) post the operationalization of solar power plant.
- iv. There will be a cap of INR 40 lakh per unit per month on the disbursement of monthly electricity subsidy.
- v. For new units/ units undertaking expansion, units will include the cost of installation of solar power plant in the Detailed Project Report (DPR) and the capital subsidy will be calculated on the fixed capital investment (eligible plant and machinery and solar plant) up to maximum of 4MW capacity.
- vi. Although Textile Units/Projects can establish solar plants of more than 4MW capacity, the entire financial burden for establishing capacity over 4MW shall be borne by the unit/project itself.
- vii. In any case the total capacity of solar powerplant being established shall not exceed the approved load / contract demand of conventional energy.

**Important to Note-**

- After the installation of solar power plant units, it shall be the responsibility of the textile units to maintain its operability. For any reason, if the solar power generation unit goes unserviceable, the tariff for electricity being supplied by Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) will be applicable without any subsidies/ reductions.
- There shall be no cap of 1MW on Net Metering for the textile units.
- The State Government's Energy Department will not levy charges other than "transmission charges" on projects using non-conventional sources (solar, wind, etc.) of energy.
- When any unit is simultaneously using conventional and non-conventional power, the use of both the power sources will be taken into consideration to decide the load factor.

**2. Maha Technology Upgradation Fund Scheme (MAHA-TUFS):**

- The scheme will facilitate the spinning units in augmenting investments, productivity, quality, employment and exports along with import substitution in the textile sector. The State will offer the following incentives to the eligible unit for reimbursement of Capital Investment Subsidy (CIS) for technology upgradation as per the following rates in various Zones-

**Table 11**

Zones	Rate of Capital Investment Subsidy (CIS)
Zone 1	40% of the basic cost of eligible machinery or INR 25 crore, whichever is less
Zone 2	35% of the basic cost of eligible machinery or INR 20 crore, whichever is less
Zone 3	30% of the basic cost of eligible machinery or INR 15 crore, whichever is less
Zone 4	25% of the basic cost of eligible machinery or INR 10 crore, whichever is less

The units will be considered for technology upgradation under the MAHA Technology Upgradation Fund Scheme (MAHA-TUFS), provided:

- The unit has completed 15 years of production on the existing machinery.
- The unit has a net positive worth.
- The unit uses clean energy.
- The Detailed Project Report (DPR) under the MAHA-TUFS has been approved by the Committee formed by the state government.

**7.4 Handloom Sector**

The Handloom sector is one of the largest unorganized sectors and constitutes an integral part of the rural and semi-rural livelihood. As per the 4<sup>th</sup> Handloom Census conducted by Government of India in 2018, Maharashtra has 3354 handlooms in the State which are being run by 3509 handloom workers.

**Incentives**

- The State would extend benefits as provided by the **National Handloom Development Programme (NHDP) scheme of Central Government**. There are various components of the scheme including cluster development programme, handloom marketing assistance with special emphasis on uncovered and talented weavers, infrastructure and special projects including Indian Institute of Handloom related projects, Mega Handloom cluster, Concessional credit/ Weavers MUDRA loan, Handloom Weavers Welfare and other miscellaneous component.

**1.1 Urban Haats-** The scheme for setting up Urban Haats at prime locations in the State to encourage and facilitate authentic weavers and crafts of Maharashtra. Strategic location in the State will be chosen to be developed as Urban Haat providing suitable ambience, with green belts in and around, with sufficient open spaces. The cost of the project up to INR 800 lakh would be financed as below-

<b>Government (Central and State)</b>	<b>Sharing pattern</b>	<b>Total Amount</b>
Central Government	80%	INR 640 lakh
State Government	20%	INR 160 lakh and above

**1.2 Special, infrastructure & Indian Institute of Handloom technology (IIHT) related projects-** To set up project/ product development / diversification, improving productivity/ quality of handloom products, value addition of handloom products/ marketing to meet challenges of dynamic market. Land cost shall be borne by the State Government and will not be part of project cost. Funding will be in the ratio 80:20 (Government of India share and State Government share).

2. **State component in Raw Material Supply Scheme (RMSS)-** Government of India provides 15% price subsidy on yarn (through DBT to linked bank account) with quantitative restrictions. The state government shall provide an additional 15 percent price subsidy on yarn.

Total 30% (15% Government of India share and 15% State share) price subsidy will be available on cotton hank yarn, domestic silk, woolen and linen yarn and blended yarn of natural fibers with quantity restrictions.

3. **Handloom Weavers' Welfare Scheme:** The Government of India's Handloom Weavers' Welfare Scheme (HWCWS) aims to provide universal and affordable Social Security to the handloom weavers/workers across the country.

4.1 The Pradhan Mantri Jeevan Jyoti Bima Yojana offers life insurance cover for death, due to any reason and is eligible for all handloom weavers/workers in the age group of 18-50 years.

4.2 **Benefits-** INR 2 Lakh will be payable on beneficiary's death due to any reason. The State Government will bear the annual premium of INR 180/- under the 'State Govt/Beneficiary's share'.

4.3 The annual premium of INR 330/- will be shared as under-

Central Government share	INR 150/-
State Government share	INR 180/-
Total Premium	INR 330/-

4. Promoting **online sales** by Maharashtra State Handloom Corporation for handloom marketing arrangement through the web portal- <http://www.mahahandloom.com>.
5. Scheme for **Supply of Free Electricity to Handloom Weavers households**- Handloom weaver households will be provided free electricity up to 200 units per month.

## 7.5 Processing Sector

The processing of yarn and fabrics at pre-loom as well as post-loom stages is significantly contributing to the essential customization of the product and aesthetic value addition. The processing sector includes dyeing, printing and cloth preparation prior to manufacturing clothing. The state offers textile industry and dyeing units' requisite incentives for use of modern technology to comply with environmental standards as prescribed by the Pollution Control Board. There are 674 processing units in the State.

### Incentives-

The incentives offered to the processing sector will vary as per the Zones. The Zonal classification is given in Annexure B. The incentives offered are as follows-

#### 1. Capital and Electricity Subsidy:

**Table 12:**

S.No	Size/ Zone	Financial Assistance in form of Capital Subsidy-% (on fixed capital investment)	Electricity Subsidy
<b>MSME</b>			
1	Zone 1	45%	As per Annexure A
2	Zone 2	40%	
3	Zone 3	35%	
4	Zone 4	30%	

<b>Large Enterprises</b>			
1	Zone 1	40%	As per Annexure A
2	Zone 2	35%	
3	Zone 3	30%	
4	Zone 4	25%	
<b>Mega Enterprises</b>			
1	Zone 1	55% with a maximum up to INR 250 crore, whichever is less	As per Annexure A
2	Zone 2	50% with a maximum up to INR 225 crore, whichever is less	
3	Zone 3	45% with a maximum up to INR 200 crore, whichever is less	
4	Zone 4	40% with a maximum up to INR 175 crore, whichever is less	
<b>Ultra Enterprises</b>	<b>Mega</b>	<ul style="list-style-type: none"> <li>High Power Committee (HPC), under Chief Secretary will be constituted to approve the Special Package of Incentives to Ultra Mega projects.</li> <li>For ultra-mega projects the investment will have to be made within a period of 10 years from the date of issue of Letter of Intent from the Department.</li> </ul>	As per Annexure A
<b>Please Note</b>		<ul style="list-style-type: none"> <li>Additional capital subsidy of 5% for SC/ST/ Minority / Ex-servicemen units.</li> <li>Additional subsidy of 5% will be eligible for units being run by women (provided that more than 50% of the employees working are women).</li> <li>In case the number of women employees exceed 50, it will be mandatory for the units to have an availability of creche facility to qualify for the additional subsidy.</li> </ul>	

**Note-**

- i. In the case of electricity subsidy for existing units, subsidy will be provided as per the rates given in Annexure A for a period of 2 years only.

- ii. Post the set period of 2 years, no electricity subsidy will be provided. However, the subsidy amount of 12 months will be calculated and provided as capital subsidy for establishment of solar power plant.
- iii. The guiding principles for the solar project for the existing units will be as follows-
  - o The DPR for solar plant shall be weighed and approved by Maharashtra Energy Development Agency (MEDA) or any other such agency decided by the Govt. from time to time.
  - o The capital subsidy (electricity subsidy for 12 months/ cost of the power plant up to maximum of 4 MW/ capping of INR 4.8 crore, whichever is less) will be provided in 2 equal instalments (with a gap of six months between the instalments) post the operationalization of solar power plant.
- iv. There will be a cap of INR 40 lakh per unit per month on the disbursement of monthly electricity subsidy.
- v. For new units/ units undertaking expansion, units will include the cost of installation of solar power plant in the Detailed Project Report (DPR) and the capital subsidy will be calculated on the fixed capital investment (eligible plant and machinery and solar plant) up to maximum of 4MW capacity.
- vi. Although Textile Units/Projects can establish solar plants of more than 4MW capacity, the entire financial burden for establishing capacity over 4MW shall be borne by the unit/project itself.
- vii. In any case the total capacity of solar powerplant being established shall not exceed the approved load / contract demand of conventional energy.

**Important to Note-**

- After the installation of solar power plant units, it shall be the responsibility of the textile units to maintain its operability. For any reason, if the solar power generation unit goes unserviceable, the tariff for electricity being supplied by Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) will be applicable without any subsidies/ reductions.
- There shall be no cap of 1MW on Net Metering for the textile units.
- The State Government's Energy Department will not levy charges other than "transmission charges" on projects using non-conventional sources (solar, wind, etc.) of energy.
- When any unit is simultaneously using conventional and non-conventional power, the use of both the power sources will be taken into consideration to decide the load factor.

**2. Green Technologies:** The support from the Government on the promotion of green technologies will be as follows-

**2.1 Support for Effluent Treatment Plants (ETP) and Common Effluent Treatment Plant (CETP) -** 50% capital subsidy or INR 5 crore whichever is less for establishment of Effluent Treatment Plants (ETPs), will be provided across all Zones in the State. Cost of land is not included in the total cost. This will be extended to new projects. Clusters as approved under Cluster Development Program of Industries department will be eligible for availing incentives for common effluent treatment plant.

**2.2 Support for Zero Liquid Discharge (ZLD)-** 50% of eligible civil infrastructure/ plant & machinery cost up to a maximum of INR 10 Crore for setting up of ZLD plants. Cost of land will not be included in the total cost of the project.

3. Water will be reserved for processing plants since these plants require large quantities of water.

## 7.6 Knitting, Hosiery, Garmenting Sector

The Stats of Maharashtra currently has 110 knitting, hosiery and garmenting units. The State is incentivizing to increase the garmenting sector in the state to complete the value chain and promote sale of finished products.

### Incentives

The incentives offered to the knitting, hosiery and garmenting sector will vary as per the Zones. The Zonal classification is given in the Annexure. The incentives offered are as follows-

#### 1. Capital and Electricity Subsidy:

**Table 13:**

S.No	Size/ Zone	Financial Assistance in form of Capital Subsidy-% (on fixed capital investment)	Electricity Subsidy
<b>MSME</b>			
1	Zone 1	45%	As per Annexure A
2	Zone 2	40%	
3	Zone 3	35%	
4	Zone 4	30%	
<b>Large Enterprises</b>			
1	Zone 1	40%	As per Annexure A

2	Zone 2	35%	
3	Zone 3	30%	
4	Zone 4	25%	
<b>Mega Enterprises</b>			
1	Zone 1	55% with a maximum up to INR 250 crore, whichever is less	As per Annexure A
2	Zone 2	50% with a maximum up to INR 225 crore, whichever is less	
3	Zone 3	45% with a maximum up to INR 200 crore, whichever is less	
4	Zone 4	40% with a maximum up to INR 175 crore, whichever is less	
<b>Ultra Mega Enterprises</b>		<ul style="list-style-type: none"> <li>High Power Committee (HPC), under Chief Secretary will be constituted to approve the Special Package of Incentives to Ultra Mega projects.</li> <li>For ultra-mega projects the investment will have to be made within a period of 10 years from the date of issue of Letter of Intent from the Department.</li> </ul>	As per Annexure A
<b>Please Note</b>		<ul style="list-style-type: none"> <li>Additional capital subsidy of 5% for SC/ST/ Minority / Ex-servicemen units.</li> <li>Additional subsidy of 5% will be eligible for units being run by women (provided that more than 50% of the employees working are women).</li> <li>In case the number of women employees exceed 50, it will be mandatory for the units to have an availability of creche facility to qualify for the additional subsidy.</li> </ul>	

- i. In the case of electricity subsidy for existing units, subsidy will be provided as per the rates given in Annexure A for a period of 2 years only.

- ii. Post the set period of 2 years, no electricity subsidy will be provided. However, the subsidy amount of 12 months will be calculated and provided as capital subsidy for establishment of solar power plant.
- iii. The guiding principles for the solar project for the existing units will be as follows-
  - o The DPR for solar plant shall be weighed and approved by Maharashtra Energy Development Agency (MEDA) or any other such agency decided by the Govt from time to time.
  - o The capital subsidy (electricity subsidy for 12 months/ cost of the power plant up to maximum of 4 MW/ capping of INR 4.8 crore, whichever is less) will be provided in 2 equal instalments (with a gap of six months between the instalments) post the operationalization of solar power plant.
- iv. There will be a cap of INR 40 lakh per unit per month on the disbursement of monthly electricity subsidy.
- v. For new units/ units undertaking expansion, units will include the cost of installation of solar power plant in the Detailed Project Report (DPR) and the capital subsidy will be calculated on the fixed capital investment (eligible plant and machinery and solar plant) up to maximum of 4MW capacity.
- vi. Although Textile Units/Projects can establish solar plants of more than 4MW capacity, the entire financial burden for establishing capacity over 4MW shall be borne by the unit/project itself.
- vii. In any case the total capacity of solar powerplant being established shall not exceed the approved load / contract demand of conventional energy.

**Important to Note-**

- After the installation of solar power plant units, it shall be the responsibility of the textile units to maintain its operationality. For any reason, if the solar power generation unit goes unserviceable, the tariff for electricity being supplied by Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) will be applicable without any subsidies/ reductions.
- There shall be no cap of 1MW on Net Metering for the textile units.
- The State Government's Energy Department will not levy charges other than "transmission charges" on projects using non-conventional sources (solar, wind, etc.) of energy.
- When any unit is simultaneously using conventional and non-conventional power, the use of both the power sources will be taken into consideration to decide the load factor.

**2. Financial assistance shall be provided to entrepreneurs/ companies/ institutions for establishment of new-**

2.1 Decentralized small garmenting units with a core mother unit coordinating operations/ training/ logistics etc. to generate employment at the doorstep in Zone 1. Financial assistance will be provided as per project size and zone.

2.2 Garment/ Apparel Design & Development Facility/ Digital Printing Facility co-located with mother units. Financial assistance will be to the tune of 20% of the total cost of the facility with the upper cap of INR 50 Lakhs.

2.3 A minimum ratio of 1:10 between mother and child unit shall be maintained for the purpose of availing any of the above benefits.

2.4 **Plug & play premises** will be established by MIDC in each District / Taluka in every Zone for setting up of knitting, hosiery and garmenting units.

**7.7 Sericulture**

Maharashtra is a non-traditional silk producing state that produces both Mulberry and Tasar Silks. It occupies 1<sup>st</sup> position in silk production among non-traditional states and 13<sup>th</sup> position among 29 silk producing states. Being agricultural activity, at present 12,809 farmers are involved in silk production through mulberry plantation in about 13,582 acres of land. Similarly, 853 farmers are involved in Tasar plantation covering 3963 Ha of land.

27 districts have mulberry plantation, and 4 districts have Tasar plantation. Therefore, a total of 31 districts are involved in silk production. Districts of Aurangabad and Pune divisions stand out significantly among all sericulture districts as far as mulberry silk is concerned. Whereas Tasar silk is principally grown in four districts of Vidarbha region namely Gondia, Gadchiroli, Bhandara and Chandrapur. Maharashtra is among the prominent states among the non-traditional sericulture states and sericulture is emerging as a prominent industry amongst farmers. The State has huge sericulture prospects with suitable soil and environmental condition in the state. Efforts will be made to increase the production of silk cocoons and silk yarn.

**Incentives and Measures:**

The following incentives will be provided to the sericulture farmers to produce and promote silk production and tap the growing market demand.

**7.7.1 Farming and Cocoon Production**

- i Promoting sericulture and group farming to create a guaranteed source of income for farmers. Private sector involvement will be promoted to sustain sericulture.

- ii To increase the average cocoon production from 60kg to 70kg per batch of 100 Disease Free Laying (DFLs).
- iii To increase the capacity of the government grainage center at Gadhinglaj, Dist. Kolhapur and to set up a new grainage center at Aurangabad, to meet the demands of DFLs. Additionally, two additional grainage centres will be set up in Zone 1 and Zone 3. All Government subsidies will be given to the DFLs produced within the State.
- iv To develop as a basic seed farm in Suleran district Kolhapur, Amboli district Sindhudurg, Chikalthana Dist. Aurangabad and at Khor Dist Buldhana in the state. To supply quality DFLs to the farmers in the state by rearing P-3 and P-2 DFLs.
- v Setting up of private and government silk cocoon production centers, Chawki centers, nurseries, etc. will be encouraged.
- vi 100% DFL supply through Chawki centers by encouraging private entrepreneurs.
- vii Mulberry silk farming will be increased by 10,000 acres in next 5 years.
- viii Target to increase 2000 Tasar beneficiaries in 5 years.
- ix Tasar Silk farming will be increased through greater plantation of Ain / Arjun trees in collaboration with the Forest Department.
- x Tasar is a forest farm plantation and hence the beneficiary area's ceiling will be increased from 2 Ha to 4 Ha in areas having Ain / Arjun trees.
- xi The benefits under the current Sericulture scheme are limited to holdings of 1 acre which limits provision of "farm ponds". In view of providing irrigation, the benefits will be extended to holdings of 5 acres while keeping the costs same for the unskilled component.

### **7.7.2 Marketing**

- i. The work of establishing an open government cocoon market at Jalna and Solapur will be completed. The Government shall allocate funds to each market to bring it to international standards.
- ii. Additionally, the government mulberry cocoon market on the pattern of Jalna and Solapur will be established in Zone 1 and Zone 3.
- iii. Raw silk exchange market will be set up at Jalna and Baramati which will ensure international gradation facilities and quality centres.
- iv. Purchase and sale of silk cocoons at competitive market prices will be encouraged through e-NAM.
- v. Tasar cocoon market will be set up at Armori (Gadchiroli district)
- vi. Development of one silk farm as a Model Silk Farm / Silk Training Center in every Zone.

- vii. Tasar tourism corridor will be established across the forest / tiger reserves at Pench and Nagzira through Forest Department and MTDC.
- viii. Silk Tourism Corridor will be established in Aurangabad to promote Paithani Silk sarees.

### 7.7.3 Processing

- i The State shall support in establishment of Paithani weavers' clusters at village level with minimum of 20 weavers in one cluster.
- ii 2 Drying centres and godown facilities will be made available to store and preserve Tasar silk cocoons.

### 7.7.4 Training and IEC

- i Mahashim Campaign will be conducted during the months of November-December each year in collaboration with BARTI (Dr Babasaheb Ambedkar Research and Training Institute, Pune) or other institutes to create awareness on sericulture and to register new farmers.
- ii Strengthening of 10 existing Government sericulture farms into high-tech training centres by providing state-of-the-art infrastructure and equipment. (decentralised training institutes)
- iii Development of one Regional Sericulture Research Stations (RSRS) at Aurangabad with the help of Central Silk Board, Bangalore.
- iv Establishment of Maharashtra Silk Training Institute in the premises of Grainage centre at Aurangabad.

### 7.7.5 Centrally Sponsored Scheme:

- i **Silk Samagra-2-** It is an integrated scheme for development of silk industry. It provides assistance to farmers for mulberry plantation, construction of rearing house, procurement of rearing equipment's and irrigation facility.

### Financial Assistance

Category (small and marginal farmers)	GoI	State	Beneficiary
General States	50%	25%	25%
General States- For SCSP & TSP	65%	25%	10%
Special Status States (for General, SCSP & TSP Category)	80%	10%	10%

### **7.7.6 State Sponsored Scheme:**

- i The State will offer 50% subsidy as per DSR rates or INR 40 lakh whichever is less for establishment of Automatic Reeling Machine Unit- (ARM Sheds) such that the shed has minimum 400 ends or 40 basins.
- ii The State will offer 50% subsidy as per DSR rates or INR 20 lakh whichever is less for establishment of Automatic Reeling Machine Unit- (ARM Sheds) such that the shed has minimum 200 ends or 20 basins.
- iii The State will offer 50% subsidy as per DSR rates or INR 15 lakhs whichever is less for establishment of Automatic Reeling Machine Unit (ARM Sheds) such that the shed has minimum 120 ends or 12 basins.
- iv The State will offer 50% subsidy as per DSR rates or INR 3 lakh whichever is less for establishment of multi-end reeling machine unit- MRM sheds such that the shed has minimum 100 ends or 10 basins.
- v The State shall offer 50% subsidy as per DSR rates or Rs. INR 6 lakhs, whichever is less for establishment of twisting machine sheds.

### **7.8 Traditional Textiles**

The textiles sector of Maharashtra has a long history that dates back to ancient times. These textiles are made of variety of materials, including cotton, silk and wool. The policy aims to ensure livelihood protection of traditional textile weavers and encourage them against cross sectoral employment migration. The following five textiles in Maharashtra will be considered as traditional textiles: -

- i. Paithani saree- Aurangabad
- ii. Himroo- Aurangabad
- iii. Karvat Kathi- Vidarbha
- iv. Khana fabric- Southern Maharashtra
- v. Ghongadi- Western Maharashtra

### **Additional Incentives:**

The following incentives will be offered to the weavers of the above mentioned five traditional textiles-

1. Festival allowance of INR 10,000 per male weaver and INR 15,000 per female weaver will be provided to certified and registered weavers in the above 5 sectors on the occasion of Ganesh Chaturthi yearly.
2. To honor the contribution of the handloom weaving community and to highlight the contribution of this sector in the socio-economic development, the best designs in the above 5 sectors will be felicitated during the National Handloom Day. A prize money

of INR 20,000, 15,000 and 10,000 will be given to the first, second and third position respectively. This will protect the handloom heritage and reaffirm the greater opportunities in this sector.

3. The State Government will formulate “Old Age Pension Scheme” for the traditional textile weavers after attaining 60 years of age to give them adequate social security coverage. The scheme will be formulated taking into consideration the opinion of the Social Justice and Special Assistance Department.
4. Certified traditional weavers will be encouraged to register as Master Trainers (for practical training) under the Skill Development Programme. Remuneration for the practical training will be as per the existing policy of the Skills, Employment, Entrepreneurship and Innovation Department.

### **7.9 Wool Sector**

India’s wool and woollen industry is the seventh largest in the world and one of the important sectors of India’s rural economy. Maharashtra is among the major wool producing State in the country.

#### **Incentives:**

The following incentives will be given to increase the production of woollen yarn and articles of apparel & clothing accessories.

1. **Capital and Electricity subsidy**-The benefits of electricity and capital subsidy shall remain same as in the table in sections of spinning, processing sections, knitting, hosiery and garmenting section.
2. To process the "Deccan wool" produced in the state, the state government will set up a processing industry on an experimental basis in Public Private Partnership in collaboration with the Wool Research Association (Thane) under the auspices of the central government. Similar projects will be set up in sheep rearing districts based on the success of the pilot project.
3. A scheme will be formulated for onsite visits and training for enhanced skill development. Further, a plan of action will be formulated to reserve government land for “sheep rearing areas.”

### **7.10 Non-Conventional Yarn/Fiber and Synthetic Yarn / Fiber**

Special focus will be given to research on production and use of non-conventional yarn and fibers such as bamboo, banana, ambadi, ghaypat, maize, coir, etc. Incentives will also be provided for production and use of non-conventional yarn. Farming of these sources of non-conventional yarns will be included within the ambit MGNREGA. Farm ponds for irrigation

will be made available wherever required. The State shall also encourage the production of synthetic/ man-made fibers including Rayon, Nylon, Polyester and Acrylic.

### Incentives:

The incentives offered to the Non-Conventional Yarn/ Fiber and synthetic yarn/ Fibers will vary as per the Zones. The capital subsidy will be extended to fiber and yarn machinery. The Zonal classification is given in Annexure B.

#### 1. Capital and Electricity Subsidy:

**Table 14:**

S.No	Size/ Zone	Financial Assistance in form of Capital Subsidy-% (on fixed capital investment)	Electricity Subsidy
<b>MSME</b>			
1	Zone 1	45%	As per Annexure A
2	Zone 2	40%	
3	Zone 3	35%	
4	Zone 4	30%	
<b>Large Enterprises</b>			
1	Zone 1	40%	As per Annexure A
2	Zone 2	35%	
3	Zone 3	30%	
4	Zone 4	25%	
<b>Mega Enterprises</b>			
1	Zone 1	55% with a maximum up to INR 250 crore, whichever is less	As per Annexure A
2	Zone 2	50% with a maximum up to INR 225 crore, whichever is less	
3	Zone 3	45% with a maximum up to INR 200 crore, whichever is less	
4	Zone 4	40% with a maximum up to INR 175 crore, whichever is less	
<b>Ultra Mega Enterprises</b>		<ul style="list-style-type: none"> <li>High Power Committee (HPC), under Chief Secretary will be constituted to approve the Special Package of Incentives to Ultra Mega projects.</li> </ul>	As per Annexure A

	<ul style="list-style-type: none"> <li>For ultra-mega projects the investment will have to be made within a period of 10 years from the date of issue of Letter of Intent from the Department.</li> </ul>	
<b>Please Note</b>	<ul style="list-style-type: none"> <li>Additional capital subsidy of 5% for SC/ST/ Minority / Ex-servicemen units.</li> <li>Additional subsidy of 5% will be eligible for units being run by women (provided that more than 50% of the employees working are women).</li> <li>In case the number of women employees exceed 50, it will be mandatory for the units to have an availability of creche facility to qualify for the additional subsidy.</li> </ul>	

**Note-**

- i. In the case of electricity subsidy for existing units, subsidy will be provided as per the rates given in Annexure A for a period of 2 years only.
- ii. Post the set period of 2 years, no electricity subsidy will be provided. However, the subsidy amount of 12 months will be calculated and provided as capital subsidy for establishment of solar power plant.
- iii. The guiding principles for the solar project for the existing units will be as follows-
  - o The DPR for solar plant shall be weighed and approved by Maharashtra Energy Development Agency (MEDA) or any other such agency decided by the Govt from time to time.
  - o The capital subsidy (electricity subsidy for 12 months/ cost of the power plant up to maximum of 4 MW/ capping of INR 4.8 crore, whichever is less) will be provided in 2 equal instalments (with a gap of six months between the instalments) post the operationalisation of solar power plant.
- iv. There will be a cap of INR 40 lakh per unit per month on the disbursement of monthly electricity subsidy.
- v. For new units/ units undertaking expansion, units will include the cost of installation of solar power plant in the Detailed Project Report (DPR) and the capital subsidy will be calculated on the fixed capital investment (eligible plant and machinery and solar plant) up to maximum of 4MW capacity.

- vi. Although Textile Units/Projects can establish solar plants of more than 4MW capacity, the entire financial burden for establishing capacity over 4MW shall be borne by the unit/project itself.
- vii. In any case the total capacity of solar powerplant being established shall not exceed the approved load / contract demand of conventional energy.

#### **Important to Note-**

- No electricity subsidy will be disbursed to any unit after the set duration of the scheme i.e., 2 years.
- After the installation of solar power plant units, it shall be the responsibility of the textile units to maintain its operability. For any reason, if the solar power generation unit goes unserviceable, the tariff for electricity being supplied by Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) will be applicable without any subsidies/reductions.
- There shall be no cap of 1MW on Net Metering for the textile units.
- The State Government's Energy Department will not levy charges other than "transmission charges" on projects using non-conventional sources (solar, wind, etc.) of energy.
- When any unit is simultaneously using conventional and non-conventional power, the use of both the power sources will be taken into consideration to decide the load factor.

## **8. Promoting Green and Sustainable Production**

The textile and apparel manufacturing industries are polluting industries and need to comply to stringent environmental compliances. The State Government is very keen to adopt environmentally friendly and green technologies for sustainable production. Through this policy, the State Government will provide following incentives-

### **8.1 Support for Effluent Treatment Plants (ETP) and Common Effluent**

**Treatment Plant-** 50% capital subsidy or INR 5 crore, whichever is less, for establishment of Effluent Treatment Plants (ETPs), will be provided across all Zones in the State. This will be extended to new units only. Clusters as approved under Cluster Development Program of Industries department will be eligible for availing incentives for common effluent treatment plant.

### **8.2 Support for Zero Liquid Discharge (ZLD)-**

50% capital subsidy of eligible civil infrastructure/ plant & machinery cost up to a maximum of INR 10 Crore for setting up of ZLD plants. Cost of land not included in the total project cost.

**8.3 Support for Solar Plants-** New units/ units undertaking expansion/ Textile clusters/ Textile Parks will include the cost of installation of solar power plant in the Detailed Project Report and the capital subsidy will be calculated on the fixed capital investment (eligible plant and machinery and solar plant) up to maximum of 4MW capacity.

Provided that the Detailed Project Report of the solar power plant is certified by Maharashtra Energy Development Agency (MEDA) or any other such agency by the Govt. from time to time. Although Textile Units/Projects can establish solar plants of more than 4MW capacity, the entire financial burden for establishing capacity over 4MW shall be borne by the unit/project itself. In any case the total capacity of solar powerplant being established shall not exceed the approved load / contract demand of conventional energy.

**8.4 Support for Setting up common Steam Generation Plant-** 50% capital subsidy or INR 1 crore, whichever is less will be provided for setting up of common steam generation plant across all Zones in the State. This will be applicable to textile clusters as well as textile parks.

**8.5 Setting up of 12 Recycling Projects-** As part of sustainability, Government will provide subsidy @ 50% or INR 2 crore, whichever is less, for new projects set up exclusively for recycling of old textile products.

A maximum of 12 such recycling projects will be incentivized, two in each of the 6 Revenue Divisions of the State. The Detailed Project Report for such projects will be approved by a committee formed by the Government.

## **9. Textile Parks**

The State Government has been providing assistance for developing common infrastructure facilities for promotion of textile parks, in addition to the assistance being provided by the Central Government. At present, there are 13 approved textile parks in the State.

### **Incentive:**

Government of India provides financial assistance @INR 40 Crore or 40% of the FCI whichever is less. In proportion to this, the State Government provides financial assistance @INR 9 Crore or 9% of the FCI whichever is less.

## **10. Technical Textile**

Technical Textiles have seen an upward trend globally in the recent years. Technological advancements, increase in end-use applications, cost-effectiveness, durability, user-friendliness, and eco-friendliness of technical textiles have led to the upsurge of its

demand in the global market. To promote technical textile in the State, following measures have been included in the policy-

### 1. Individual units:

The incentives offered to the technical textile units which will vary as per the Zones. The Zonal classification is given in the Annexure B.

### Incentives:

#### 1.1 Capital and Electricity Subsidy

**Table 15:**

S.No	Size/ Zone	Financial Assistance in form of Capital Subsidy-% (on fixed capital investment)	Electricity Subsidy
<b>MSME</b>			
1	Zone 1	45%	As per Annexure A
2	Zone 2	40%	
3	Zone 3	35%	
4	Zone 4	30%	
<b>Large Enterprises</b>			
1	Zone 1	40%	As per Annexure A
2	Zone 2	35%	
3	Zone 3	30%	
4	Zone 4	25%	
<b>Mega Enterprises</b>			
1	Zone 1	55% with a maximum up to INR 250 crore, whichever is less	As per Annexure A
2	Zone 2	50% with a maximum up to INR 225 crore, whichever is less	
3	Zone 3	45% with a maximum up to INR 200 crore, whichever is less	
4	Zone 4	40% with a maximum up to INR 175 crore, whichever is less	
<b>Ultra Mega Enterprises</b>		<ul style="list-style-type: none"> <li>High Power Committee (HPC), under Chief Secretary will be constituted to approve the Special Package of Incentives to Ultra Mega projects.</li> <li>For ultra-mega projects the investment will have to be made within a period of 10 years from the date of issue of Letter of Intent from the Department.</li> </ul>	As per Annexure A

<b>Please Note</b>	<ul style="list-style-type: none"> <li>• Additional capital subsidy of 5% for SC/ST/ Minority / Ex-servicemen units.</li> <li>• Additional subsidy of 5% will be eligible for units being run by women (provided that more than 50% of the employees working are women).</li> <li>• In case the number of women employees exceed 50, it will be mandatory for the units to have an availability of creche facility to qualify for the additional subsidy.</li> </ul>
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- i. In the case of electricity subsidy for existing units, subsidy will be provided as per the rates given in Annexure A for a period of 2 years only.
- ii. Post the set period of 2 years, no electricity subsidy will be provided. However, the subsidy amount of 12 months will be calculated and provided as capital subsidy for establishment of solar power plant.
- iii. The guiding principles for the solar project for the existing units will be as follows-
  - o The DPR for solar plant shall be weighed and approved by Maharashtra Energy Development Agency (MEDA) or any other such agency decided by the Govt from time to time.
  - o The capital subsidy (electricity subsidy for 12 months/ cost of the power plant/ capping of INR 4.8 crore, whichever is less) will be provided in 2 equal instalments (with a gap of six months between the instalments) post the operationalization of solar power plant.
- iv. There will be a cap of INR 40 lakh per unit per month on the disbursement of monthly electricity subsidy.
- v. For new units/ units undertaking expansion, units will include the cost of installation of solar power plant in the Detailed Project Report (DPR) and the capital subsidy will be calculated on the fixed capital investment (eligible plant and machinery and solar plant) upto maximum of 4MW capacity.
- vi. Although Textile Units/Projects can establish solar plants of more than 4MW capacity, the entire financial burden for establishing capacity over 4MW shall be borne by the unit/project itself.
- vii. In any case the total capacity of solar powerplant being established shall not exceed the approved load / contract demand of conventional energy.

#### **Important to Note-**

- After the installation of solar power plant units, it shall be the responsibility of the textile units to maintain its operationality. For any reason, if the solar power generation unit goes unserviceable, the tariff for electricity being supplied by Maharashtra State

Electricity Distribution Co. Ltd. (MSEDCL) will be applicable without any subsidies/reductions.

- There shall be no cap of 1MW on Net Metering for the textile units.
- The State Government's Energy Department will not levy charges other than "transmission charges" on projects using non-conventional sources (solar, wind, etc.) of energy.
- When any unit is simultaneously using conventional and non-conventional power, the use of both the power sources will be taken into consideration to decide the load factor.

## **2. Technical Textile Parks**

Given the large base of textiles in the State, it is proposed to set up 6 Technical Textile Parks in the 4 Zones of the State. Zone 1 and Zone 4 will have 2 Parks each and the other two Zones will have 1 park each.

**2.1 Eligibility-** The park must fulfill all the below mentioned criteria to qualify for incentives-

- To qualify as a park the criteria will be to have minimum 10 technical textile units.
- None of the units should have more than 25% of the total required park area as per Detailed Project Report.
- A minimum fixed capital investment (FCI) of INR 400 crore is mandatory to qualify as a technical textile park. Cost of land and building will not be included in FCI.
- The Technical Textile Park must have an established skill development centre with a minimum capacity of 30 individuals and ensure continuous training.

### **2.2 Incentives:**

The State will provide the following incentives for development of six (6) technical textile parks. Land will be made available in MIDC area and supporting infrastructure at 6 revenue divisions of Konkan (1), Western Maharashtra (1), North Maharashtra (1), Marathwada (1), Vidarbha (2).

**2.2.1 Capital Subsidy-** The Park with investment more than INR 400 crore but less than INR 1000 crore will be eligible for capital subsidy on Fixed Capital Investment up to 55% or INR 250 crore whichever is less across all Zones. The park with an investment more than INR 1000 crore will be treated as Ultra Mega projects and will be given Special Package of Incentives which will be approved by a High-Power Committee (HPC) constituted under Chief Secretary.

**Please note:** an additional incentive of 10% on capital subsidy will be applicable for units which are 100% being run and managed by women.

**2.2.2 Support for Effluent Treatment Plants (ETP) and Common Effluent Treatment Plants (CETP)-** 50% capital subsidy or INR 5 crore whichever is less for establishment of Effluent Treatment Plants (ETPs) and Common Effluent Treatment Plants (CETP), will be provided across all Zones in the State.

**2.2.3 Support for Zero Liquid Discharge (ZLD) -** 50% capital subsidy of civil infra/ plant & machinery cost up to a maximum of INR 10 Crore for setting up of ZLD plants inside the textile parks in all Zones. The cost of land will not be included in the total project cost.

**2.2.4 Support for installation of Solar Plants-** New units/ units undertaking expansion will include the cost of installation of solar power plant in the Detailed Project Report and the capital subsidy will be calculated on the fixed capital investment (eligible plant and machinery and solar plant) upto maximum of 4 MW capacity.

Provided that the Detailed Project Report of the solar power plant is certified by Maharashtra Energy Development Agency (MEDA) or any other such agency by the Govt from time to time. Although Textile Units/Projects can establish solar plants of more than 4MW capacity, the entire financial burden for establishing capacity over 4MW shall be borne by the unit/project itself. In any case the total capacity of solar powerplant being established shall not exceed the approved load / contract demand of conventional energy.

**2.2.5 Common Facility Centres:** The State will help in the development of CFCs for Technical Textile Parks to provide a technological boost to textile units in creating best-in-class manufacturing infrastructure, up gradation of technology, fostering innovation, enhancing skills and traditional strengths of the sector.

**2.2.6 Promotion of Research and Development-** The technical textile industry is going through paradigm shift in technology, enabling faster and more efficient machinery. To promote research and development in these emerging technologies, a budget provision of INR 50 crore will be made available every year.

## **11. Marketing Support**

1. Providing exclusive identity to handloom products domestically and internationally, State will promote its products through “Handloom Mark”, “Silk Mark” and “India Handloom Brand”.
2. Four Special exhibitions will be organized every year in big cities of the country outside Maharashtra to promote the sale of cotton, silk, handloom, powerloom products produced by the weavers of Maharashtra. The weavers will be provided assistance to participate in such exhibitions. A provision of INR 50 Lakh per exhibition will be made for this purpose.

3. **Captive Market-** The Department will formulate a scheme with detailed guidelines to enable each BPL family to purchase one saree every year.
4. Maharashtra State Textiles Development Corporation (MSTDC) will act as a nodal agency for promotion of marketing of State handloom products.

## **12. Skill Development and Capacity Building**

The policy aims to create skilled and balanced workforce, especially women to enhance their employability.

1. In order to develop the skills of handloom weavers, training program under Skill Development Program will be conducted through Weaver Seva Kendra or Technical Training Institute in places where there are handloom clusters in the state.
2. **Training Centres:** The State Government shall provide assistance to upgrade existing skill centres as well as set up new Training Centers which provide skill training for various courses in textile such as garmenting, apparel production etc. The assistance will be of 50% of the total cost (subject to INR 20 lakh per center) through Skills, Employment, Entrepreneurship and Innovation Department for establishment of exclusive textile training centre towards the purchase of equipment and machinery (including installation cost, electrification and necessary furniture)
3. Short term courses/ vocational training programs will be run by the Skills, Employment, Entrepreneurship and Innovation Department through ITI's and Vocational training providers.
4. MoUs will be signed with prominent Associations and Training Institutes such as Clothing Manufacturers Association of India/ D.K.T.E. Society's Textile and Engineering Institute to impart training in Knitwear and Garmenting sector.
5. MoUs will be signed with institutes of excellence such as IIT Mumbai, NIFT Mumbai and Veermata Jijabai Technological Institute and SASMIRA to promote research and textile entrepreneurship in modern technology and design.

## **13. Project Management Agency**

The Department of Textiles, Government of Maharashtra shall appoint a team of professionals as Project Management Agency (PMA) for policy implementation and stakeholder outreach. The PMA will also be supporting the department in publicizing the policy incentives among national / international investors, brands and other stakeholders and providing prompt support to the investors.

#### **14. Maharashtra State Textiles Development Corporation (MSTDC)**

Maharashtra State Textiles Development Corporation (MSTDC) will be established as a statutory corporation on the lines of MIDC. All the existing corporations will be merged into MSTDC. All the assets of the present corporations will be transferred to MSTDC and all liabilities will be restructured as per Government directives. The Department will establish this Corporation within a period of one year from the release of the policy.

15. Under this Policy, Government Resolutions, and guidelines for implementation of the policy from the point of view of General Administrative Measures will be issued separately.

16. This Government Resolution is being issued as per Finance Department UOR Number 389/2023/Expenditure-2 dated 01<sup>st</sup> June 2023 and the decision taken by the State Cabinet on 30<sup>th</sup> May 2023.

This Government Resolution is available on the website of the Government of Maharashtra [www.maharashtra.gov.in](http://www.maharashtra.gov.in) and its reference number is 202306021353411402. This Government Resolution has been digitally signed.

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

**(Virendra Singh)**

Secretary, Government of Maharashtra

**To,**

1. Principal Secretary to Hon. Governor, Maharashtra State
2. Additional Chief Secretary to Hon. Chief Minister, Maharashtra State
3. Secretary to Hon. Deputy Chief Minister, Maharashtra State
4. Private Secretary to Hon. Ministers (all), Maharashtra State
5. Private Secretary to Hon. Leader of opposition, Maharashtra Legislative Assembly, Vidhan Bhavan Mumbai
6. Private Secretary to Hon. Leader of opposition, Maharashtra Legislative Council, Vidhan Bhavan Mumbai
7. All Members of Parliament from Maharashtra State
8. All Members of Legislative Assembly/ Legislative Council, Maharashtra State
9. Chief Secretary, Maharashtra State, Mantralaya, Mumbai
10. All Additional Chief Secretaries/Principal Secretaries/Secretaries Mantralaya, Mumbai
11. Commissioner (Textile) Commissionerate of Textile, Maharashtra, Nagpur
12. Director, (Sericulture) Directorate of Sericulture , Maharashtra, Nagpur
13. Pay and Accounts Officer Mumbai
14. Accountant General (Pay and Accounts, Audit) Maharashtra State 1 / 2 Mumbai , Nagpur
15. Concerned Banks - TUFs Cell
16. Select File (Text 5)/ All Desk in Textile Department.

## Annexure A

## Electricity Subsidy Rate for Textile Units

	Category	Textile Subsidy (Rs. /Unit)
LT	<b>LT Powerloom</b>	<b>Rs/Unit</b>
	0-20 kW	3.77
	Above 20 kW	3.40
	<b>LT Knitting, Hosiery &amp; Garments</b>	<b>Rs/Unit</b>
	0-20 kW	3.77
	Above 20 kW	3.40
	<b>LT Co-Op Soot Girni</b>	<b>Rs/Unit</b>
	0-20 kW	3.00
	Above 20 kW	3.00
	<b>LT Non Co-Op Soot Girni</b>	<b>Rs/Unit</b>
	0-20 kW	2.00
	Above 20 kW	2.00
	<b>LT Process Industry &amp; All Other Textile Units (Having load above 107 HP)</b>	<b>Rs/Unit</b>
	b) Above 107 HP	2.00
HT	<b>HT Powerloom, Non Co-Op Soot Girni, Knitting, Hosiery &amp; Garments, Process Industry &amp; All Other Textile Units</b>	<b>Rs/Unit</b>
	66 KV & Above	2.00
	33 KV	2.00
	22 KV	2.00
	11 KV	2.00
	<b>HT Co-Op Soot Girni</b>	<b>Rs/Unit</b>
	66 KV & Above	3.00
	33 KV	3.00
	22 KV	3.00
11 KV	3.00	

**Annexure B**  
**Zonal Classification**

S.No	Zones	Districts
1.	Zone 1	Akola
2.		Amravati
3.		Buldhana
4.		Bhandara
5.		Chandrapur
6.		Gadchiroli
7.		Gondia
8.		Nagpur
9.		Washim
10.		Wardha
11.		Yavatmal
12.	Zone 2	Aurangabad
13.		Beed
14.		Dhule
15.		Hingoli
16.		Jalgaon
17.		Jalna
18.		Latur
19.		Nanded
20.		Osmanabad
21.		Parbhani
22.	Zone 3	Ahmednagar
23.		Nashik
24.		Nandurbar
25.	Zone 4	Kolhapur
26.		Mumbai City
27.		Mumbai Suburban
28.		Palaghar
29.		Pune
30.		Ratnagiri
31.		Raigad
32.		Sindhudurg
33.		Sangli
34.		Satara
35.		Solapur
36.		Thane