



Cabinet Approves New Textile and Apparel Policy

Why In News?

- On October 13, 2022, the Uttar Pradesh cabinet, chaired by Chief Minister Yogi Adityanath, approved a new textile and apparel policy to attract private investment in this sector and ensure development of all units to make the state a textile hub.

Key Points

- The cabinet has approved the Uttar Pradesh Textile and Garmenting Policy-2022 and has authorized the Chief Minister to make any amendments in it.
- The main objective of the new policy is to establish the state as a global level garment manufacturing hub and sustainable development of all types of units related to the textile industry, such as handloom, powerloom, spinning, weaving, processing and apparel.
- The specific objective of the policy is to attract private investment of Rs 10,000 crore in the textile and apparel sector, create employment opportunities for five lakh people, develop five textile and apparel parks in the private sector and increase the income of handloom and powerloom weavers.
- Parliamentary Affairs Minister Suresh Khanna said that in the Textile and Apparel Policy-2022 of Uttar Pradesh, there was a provision to give special incentives to the units investing in the textile sector along with financial facilities in various items with the aim of attracting investments and generating employment.
- The policy will be effective for a period of five years from the date of promulgation. The policy will increase investment in the state and create three lakh job opportunities.
- Under the new policy, textile and textile units will be provided 25 percent capital subsidy on investment made on purchase of plant and machinery.
- Apart from this, additional capital grant will be reimbursed at the rate of 5 percent to the textile and clothing units to be set up in Madhyanchal region of the state and at the rate of 10 percent to the textile and clothing units to be set up in Purvanchal and Bundelkhand. The capital subsidy limit will be limited to Rs 100 crore per unit.

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