

NOTIFICATION ISSUED FOR SETTING UP OF 7 MEGA INTEGRATED TEXTILE REGION AND APPAREL (PM MITRA) PARKS WITH A TOTAL OUTLAY OF RS. 4,445 CRORE.

Relevant for: Indian Economy | Topic: Issues relating to Growth & Development - Industry & Services Sector incl. MSMEs and PSUs

The Ministry of Textiles has issued the Notification on 21 October 2021 for setting up of 7 PM MITRA Parks as announced in Union Budget for 2021-22 and approved by the Central Government. The Notification is available on the Ministry's web-site: <http://texmin.nic.in>

The scheme aims to realise the vision of Hon'ble Prime Minister Shri Narendra Modi of building an *Aatmanirbhar Bharat* and to position India strongly on the Global textiles map.

PM MITRA Parks is envisaged to help India in achieving the United Nations Sustainable Development Goal 9 ("*Build resilient infrastructure, promote sustainable industrialization and foster innovation*").

PM MITRA is inspired by the 5F vision of Hon'ble Prime Minister. The '5F' Formula encompasses - Farm to fibre; fibre to factory; factory to fashion; fashion to foreign. This integrated vision will help furthering the growth of textile sector in the economy. No other competing nation has a complete textile ecosystem like us. India is strong in all five Fs.

The scheme is to develop integrated large scale and modern industrial infrastructure facility for entire value-chain of the textile industry. It will reduce logistics costs and improve competitiveness of Indian Textiles. The scheme will help India in attracting investments, boosting employment generation and position itself strongly in the global textile market. These parks are envisaged to be located at sites which have inherent strength for Textile Industry to flourish and have necessary linkages to succeed.

The 7 PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks will be setup at Greenfield / Brownfield sites located in different willing States. Proposals of State Governments having ready availability of contiguous and encumbrance-free land parcel of 1,000+ acres along with other textiles related facilities & ecosystem are welcome.

For a Greenfield PM MITRA park, the GOI Development Capital Support will be 30% of the Project Cost, with a cap of 500 Cr. For Brownfield sites, after assessment, Development Capital Support @30% of project cost of balance infrastructure and other support facilities to be developed and restricted to a limit of Rs. 200 Crore. State Government supports will include provision of 1,000 Acre land for development of a world class industrial estate.

Competitiveness Incentive Support (CIS) of 300 Crore will also be provided to each PM MITRA park for early establishment of textiles manufacturing units in PM MITRA Park. Such support is crucial for a new project under establishment which has not been able to break even and needs support till it is able to scale up production and be able to establish its viability.

PM MITRA park will be developed by a Special Purpose Vehicle which will be owned by State Government and Government of India in a Public Private Partnership (PPP) Mode. The Master Developer will not only develop the Industrial Park but also maintain it during the concession

period. Selection of this Master Developer will happen based on objective criteria developed jointly by State and Central Governments.

SPV in which State Government has majority ownership will be entitled to receive part of the lease rental from developed industrial sites and will be able to use that for further expansion of textiles industry in the area by expanding the PM MITRA Park, providing Skill Development initiatives and other Welfare measures for workers.

Convergence with other Central Government and State Government Schemes is available as per their eligibility under the guidelines of those schemes. This will enhance the competitiveness of the textiles industry, by helping it in achieving economies of scale and will create huge job opportunities for millions of people. Leveraging Economies of Scale, the scheme will help Indian companies to emerge as Global Champions.

The detailed Guidelines for the scheme is under preparation, after which the proposals will be invited from the willing state governments.

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