

Centre issues notification for setting up of seven mega integrated textile parks

Synopsis

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



The Ministry of **Textiles** on Thursday issued a notification for setting up of 7 PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks as announced in Union Budget for 2021-22 and approved by the Central Government and the scheme aims to realise the vision of Prime Minister Narendra Modi of building an Aatmanirbhar Bharat and to position India strongly on the Global textiles map.

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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").

The scheme is to develop integrated large scale and modern **industrial infrastructure** NSE 2.99% facilities for the entire value-chain of the textile industry. It will reduce logistics costs and improve the competitiveness of Indian Textiles. The scheme will help India in attracting investments, boosting employment generation and positioning itself strongly in the global textile market. These parks are envisaged to be located at sites that have inherent strength for Textile Industry to flourish and have the necessary linkages to succeed.

The 7 PM MITRA Parks will be set up 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 per cent of the Project Cost, with a cap of Rs 500 Crore. For Brownfield sites, after assessment, Development Capital Support @30 per cent 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 the provision of 1,000 Acre land for the development of a world-class industrial estate.

Competitiveness Incentive Support (CIS) of Rs 300 Crore will also be provided to each PM MITRA park for the early establishment of textiles manufacturing units in PM MITRA Park. Such support is crucial for a new project under establishment that 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 the 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 the 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.