

Cabinet approves setting up of 7 mega integrated textile region and apparel parks with ₹4,445 crore outlay



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Textiles Minister Piyush Goyal informed about the decision after the Cabinet meeting, chaired by Prime Minister Narendra Modi.

The Union Cabinet on Wednesday approved the setting up of seven Mega Integrated Textile Region and Apparel (PM MITRA) parks with a total outlay of ₹4,445 crore in the next five years.

Textiles Minister Piyush Goyal informed about the decision after the Cabinet meeting, chaired by Prime Minister Narendra Modi.

He said the move will provide 7 lakh direct and 14 lakh indirect jobs. The minister also informed that 10 states have already shown interest.

The PM MITRA will be developed by a special purpose vehicle owned by state governments and the central government in PPP mode.

Mr. Goyal said that the government is talking to States about this and so far, ten States have already shown interest. "There will be a contest through a transparent challenge route, based on which State gives the cheapest land, best facilities, adequate electricity and water supplies, which State has an untroubled and stable labour situation. Keeping all this in mind, and where there is a demand for textile industry, where skilled manpower is available, these seven regions will be identified," he added.

The park will have two components-Development Capital Support which will provide 30% of the estimated project cost of ₹ 1,700 crore for each park with a cap of ₹ 500 crore. For brownfield projects, the support will be capped at ₹ 200 crore. Simultaneously, for the first movers or anchor investors who begin production at these parks, a competitive incentive support will be provided. It won't get mixed up with the PLI scheme

The Minister said that if these investors end up spending more on setting up a plant or working out logistics, a competitive incentive support will be given to offset any such expenses on a first come-first served basis to those who create at least 100 jobs. Rs 300 crore will be given for each park, which means Rs 2,100 crore will be given to these units. A maximum support of ₹ 10 crore per year for a maximum of three years will be provided to such anchor investors.

The PM MITRA park will be developed by a Special Purpose Vehicle (SPV), which will be owned by the State Government and the Government of India in a Public Private Partnership (PPP) Mode. A Master Developer will be selected based on objective criteria developed jointly by State and Central Governments, who will not only be responsible for setting up the park, but also maintaining it during the concession period, Mr. Goyal said.

"The 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," the ministry said.