

About PM MITRA PARK SCHEME

The infographic features a purple background with a yellow banner at the top. On the left, the text 'PM MITRA' is written in large, bold letters, with 'PM' in white and 'MITRA' in yellow. To the right of this text is a yellow icon of two hands shaking under a sun. In the top right corner, there are logos for 'G20 India 2023' and '75th Anniversary of India's Independence'. Below these logos is a portrait of Prime Minister Narendra Modi. A yellow banner below the portrait contains the text '7 PM Mega Integrated Textile Regions & Apparel Parks approved'. Below this, a purple banner reads 'Inspired by PM Modi's 5F vision'. The main body of the infographic is divided into four quadrants by a central illustration of a textile factory with workers. The quadrants contain the following text: 'World class plug and play infrastructure', 'Boost to exports by strengthening competitiveness of sector', 'Hub for training, research, innovation', and 'Help achieve economies of scale, attract FDI and global manufacturers'. At the bottom, a yellow banner states 'Aimed at making India a global textile manufacturing hotspot'. The bottom right corner shows a stack of colorful fabric rolls.

PM MITRA

7 PM Mega Integrated Textile Regions & Apparel Parks approved

Inspired by PM Modi's 5F vision

- World class plug and play infrastructure
- Boost to exports by strengthening competitiveness of sector
- Hub for training, research, innovation
- Help achieve economies of scale, attract FDI and global manufacturers

Aimed at making India a global textile manufacturing hotspot

1. BACKGROUND

- The Indian textile industry is one of the largest in the world with a large raw material base and manufacturing strength across the value chain. In keeping with goal of making the sector globally competitive the Government's focus has been on increasing textile manufacturing by building the best-in-class manufacturing infrastructure, upgradation of technology fostering innovation, enhancing skills and reducing costs in the sector. With the experience of competing economies, it was felt that there is a need to develop large scale and integrated world class industrial facilities for the textiles industry to build scale, reduce logistics costs and improve its competitiveness.
- Accordingly, the Government of India approved 7 PM Mega Integrated Textile Regions and Apparel (PM MITRA) Parks for the Textile industry.
- Inspired by the 5F vision of the Hon'ble Prime Minister (i.e. Farm to Fibre to Factory to Fashion to Foreign), the PM MITRA Parks are a major step

forward in realising the Government's vision of making India a global hub for textile manufacturing and exports.

- MITRA parks will enable the textile industry of India to achieve higher size and scale along with creation of a modern & integrated textile value chain at one location.
 - It will make the Indian textile industry globally competitive, attract large investments and boost employment generation.
 - Apart from accommodating the complete value chain of the T&A industry, MITRA parks will develop and enhance the eco system required to support industry.
 - These parks will create world class infrastructure with plug and play facilities and help create global champions in the textiles sector.
 - Once completed, each park is expected to lead to creation of 1,00,000 jobs directly and 2,00,000 jobs indirectly. It is also estimated that each PM MITRA park will attract an investment of Rs 10,000 Cr.
 - Benefits for every segment of textile value chain through modernisation, scale and skilled work force.

2. ELIGIBILITY & SELECTION

MITRA Parks will be set up on sites selected from amongst the proposals sent in by state governments. Each site will have ready availability of a contiguous and encumbrance-free land parcel of at least 1000 acres. The selection of MITRA Park sites has been done by adopting a transparent Challenge Method by evaluating key criteria including good connectivity, distances from the nearest Port / Dedicated Freight Corridor / Industrial Corridor/Textiles Cluster, Reliable Power Supply and Water availability and Waste Water Disposal system, Effective single window clearance etc. A conducive and stable industrial/textile policy of the State and traditional strengths in the textile sector has also been a parameter for selection.

3. FEATURES

MITRA Parks will be set up at key locations, as ready to move, ready to start (through plug and play facilities), with common industrial infrastructure and facilities, allowing integration of supply and value chains in a contiguous area. It is the intention of Ministry of Textiles to equip it with world-class facilities for both industrial units and workers working and staying in and around MITRA Park.

To enable scale, the minimum estimated area per MITRA Park is 1,000 acres. While the park size of 1,000 acres will allow large units, both domestic and international to be readily located in these MITRA parks, the plug and play concept will significantly cut the time to start operations. MITRA Parks will offer the opportunity to create an Integrated Textiles Value Chain right from spinning, weaving, processing, and printing to garment manufacturing, accessories making at one location reducing logistics & transaction costs. Man-made Fibre (MMF) and Technical Textiles are also expected to be a significant component of the new investment.

MITRA parks can be either Greenfield or Brownfield.

- (a) **Greenfield Sites:** New independent sites will be developed under this category.
- (b) **Brownfield Sites:** Sites with partly developed industrial trunk infrastructure and other intended facilities will be taken up for completing the development.

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TRANSPARENT CRITERIA FOR SELECTION

- Infrastructure & Connectivity
- Utility services
- Existing Ecosystem & Textile clusters
- Textile/Industry policy
- Environmental Impact

Technology platform, PM Gatishakti used to validate proposed sites

4. GOVERNANCE

The Ministry of Textiles will oversee the execution of these projects. An SPV owned by Centre and State Government jointly will be set up for each park which will oversee the implementation of the project. The Ministry of Textiles will provide financial assistance up to Rs 800 crores per park for Greenfield projects and up to Rs 500 crores per park for Brownfield projects. The State Governments will provide land and augmented utility infrastructure for the proposed mega textile parks. The parks will offer an excellent infrastructure, plug and play facilities as well as training and research facilities for the industry.

Each MITRA park will be led by a Special Purpose Vehicle created for this purpose for the Park. The SPV which will be joint venture between the state and central governments will be registered under the Companies Act 2013. Government of India will pay for 49% equity of paid up capital of SPV to be set up under MITRA Park and participating State Government will pay for 51% of the paid up capital. The Secretary Textiles, Government of India will be the Chairperson of the Board of Directors.

The State Government will transfer land to the SPV at symbolic notional price and this land asset will be further used to leverage by SPV for investment in the MITRA Park for development in construction period and maintenance of the MITRA Park with a high standard specification during the concession period. The specific modalities for use of this land and lease rentals will be defined in the relevant transaction documents. An inter-departmental Project Approval Committee (PAC) headed by the Secretary (Textiles) will oversee the implementation. The PAC will also fine tune the financial support policies such as linking benefits with investment and other objective parameters with aim of earliest operationalization of the maximum number of units in MITRA Park.

The Park Special Purpose Vehicle will appoint a Master Developer (MD) selected by a transparent process and will engage with them through a Concession Agreement. The Master Developer will be responsible for designing and master planning, building, financing, operating and maintaining the MITRA Park as per the applicable governance and delivery structure. The Master Developer will develop the MITRA Park and its components e.g. Core Infrastructure (CI), Support Infrastructure (SI) and Commercial Development (CD) as described above. Master Developer will be responsible for operation and maintenance of MITRA Park as per minimum prescribed standard during the concession period.

State governments will not just ensure availability of contiguous and encumbrance-free land parcel of at least 1000 acres of land but will also facilitate provision of all utilities, Reliable Power Supply and Water availability and Waste Water Disposal system, an effective single window clearance as well as a conducive and stable industrial/textile policy.

The GoI will provide financial support in the form of Development Capital Support to the Park SPV, with a view to make the MITRA Parks commercially viable. A **Competitiveness Incentive Support (CIS)** upto Rs 300 crore per park to the units in MITRA Park on a first come first serve basis shall be provided to incentivise speedy implementation. The central shall also facilitate **convergence with other GOI schemes in order to ensure** additional incentives to the Master Developer and investor units.

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EACH PARK EXPECTED TO GENERATE

- 1,00,000 direct jobs
- 2,00,000 indirect jobs
- ₹10,000 Cr investment

Special Purpose Vehicle for each park owned by Centre & State Government will oversee implementation of the project.

5. FINANCIAL SUPPORT

Development Capital Support (DCS)

For a Greenfield MITRA Park, a Development Capital Support (DCS) of 30% of the Project Cost, with a cap of ₹ 500 Cr. per park will be offered. In respect of partly developed Brownfield sites, an assessment will be made of infrastructure already developed and also the textile specific infrastructure yet to be developed. Based on such assessment, Development Capital Support @30% of project cost of balance infrastructure and other support facilities to be developed and restricted to a limit of ₹ 200 Cr. per Brownfield Park will be provided by GOI. The DCS will finance the development of Core Infrastructure (CI) comprising Incubation Centre, Plug & Play facility, Developed Factory Sites, Roads, Power, Water and Waste Water system, Common Processing House & CETP and other related facilities e.g. Design Centre, Testing Centres etc. A part of mandatory Support Infrastructure (SI) - comprising facilities such as workers' hostels & housing, Logistics Park, warehousing, medical, training facilities, etc. shall also be supported by the DCS.

Commercial Development (CD) in a limited area up to 10% of the park area on a self-financing model will further enhance the viability of the park and the revenue stream from CD will help maintenance of common assets and facilities by the SPV even after the completion of this scheme.

Competitive Incentive Support (CIS): A competitiveness incentive up to Rs 300 crores per park will incentivise early operationalisation and quick scale up.