Dr. L.B. Singhal (Ph.D., MBA, LLB, B.Sc.) Secretary General, AEPC

AEPC Circular No.-48

AEPC/HO/SG/R&PA/2021 October 22, 2021

Dear Members,

Ministry of Textiles vide Notification <u>F.No. 20/1/2019-SITP dated 20/10/2021</u> (Gazette of India No. 316 dated 21/10/2021) has notified setting up of PM Mega Integrated Textiles Regions and Apparel (PM MITRA) Parks.

The major points of the above notification are as below:-

<u>Introduction</u>

The Government of India plans to set up 7 (Seven) PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks in Greenfield/Brownfield sites in partnership with the willing State Governments. The Scheme would lead to creation of a modern, integrated large scale, world class industrial infrastructure including plug and play facilities with a budgetary outlay of Rs.4,445/- crores for a period 2021-22 to 2027-28.

Objective

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 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.

Scheme Incentive Structure

Greenfield and Brownfield PM MITRA Park – For development of Greenfield PM MITRA and Borwnfield PM Park, there is a provision of Development Capital Support (DCS) @30% of the project cost with a maximum support of Rs.500 Cr. and Rs.300 Crore per park for Greenfield and Borwnfield PM MITRA respectively from the Government of India

<u>Competitive Incentive Support (CIS)</u> – For incentivizing manufacturing units to get setup early in PM MITRA, there is a provision of Rs.300 Cr per park, wherein the incentive can be provided to manufacturing units up to 3% of the total sales turnover on first come first serve basis. This is only available to those manufacturing companies who are not availing Textile PLI scheme benefits and will be available till the funds provided are not exhausted for the PM MITRA Park.

Operational Model

PM MITRA Park will be developed in a Public Private Partnership (PPP) based Master Developer (MD) model on Design-Build-Finance-Operate-Transfer (DBFOT) format.

Selection of Location of Parks

State governments having ready availability of contiguous and encumbrance-free land parcel of 1000+ acres will be eligible for application under the Scheme. The selection of sites will happen on a challenge method with parameters e.g. good connectivity, adequate quality power infrastructure, water and waste water disposal system, Industry Friendly labour laws, Single Window Clearances, Stable and Conducive industrial/textile policy of the state. The State Governments will be requested to submit their proposals for setting up of PM MITRA Park.

Scheme Guidelines

Detailed operational scheme guidelines for inviting application from willing states will be finalized and notified in consultation with concerned Ministries/Departments.

For detailed information of the notification, please refer the Notification $\underline{F.No.\ 20/1/2019\text{-SITP}}$ dated 20/10/2021

With warm regards,

Yours sincerely,

Dr. L.B. Singhal Secretary General