



PM MITRA Parks

 drishtias.com/printpdf/pm-mitra-parks

Why in News

Recently, the Union Cabinet approved the setting up of **seven Mega Integrated Textile Region and Apparel (PM MITRA) Parks** at an outlay of Rs. 4,445 crore.

The MITRA park **aims** to integrate the entire textile value chain from spinning, weaving, processing/dyeing, printing to garment manufacturing at one location.

Key Points

- **About:**

- PM MITRA park **will be developed by a Special Purpose Vehicle** which will be owned by the Central and State Government and **in a Public Private Partnership (PPP) Mode**.
- Each MITRA Park will have **an incubation centre, common processing house and a common effluent treatment plant** and other textile related facilities such as design centres and testing centres.
- The **Master Developer** will not only develop the Industrial Park but also maintain it during the concession period.

- **Funding:**

Under the scheme, the **centre will provide development capital support** for the development of common infrastructure of Rs 500 crore for each **greenfield MITRA park** and upto Rs 200 crore for each **brownfield park**.

Greenfield describes a completely new project that has to be executed from scratch, while a brownfield project is one that has been worked on by others.

- **Eligibility for Incentives:**

- **An additional Rs 300 crore** will be provided as **Competitiveness Incentive Support** for the early establishment of textiles manufacturing units in each of these parks.
- **Investors who set up “anchor plants” that employ at least 100 people** will be eligible for incentives of **upto Rs 10 crore every year** for upto three years.

- **Significance:**
 - **Reduce Logistics Cost:** It will **reduce logistics cost and strengthen the value chain** of the textile sector to make it globally competitive.
 - High logistics costs are considered a key hurdle to India's goal of boosting textile exports.
 - India had witnessed disruption in supply of key raw materials from China in the recent past as global supply chains got affected during the pandemic.
 - **Generate Employment:**

Each MITRA park is **expected to directly generate 1 lakh jobs** and indirectly generate a further 2 lakh jobs.
 - **Attract FDI:**
 - The parks are crucial to attract **Foreign Direct Investment (FDI)**.
 - From April 2000 to September 2020, India's textile sector received Rs 20,468.62 crore of FDI, which is just 0.69% of the total FDI inflows during the period.
- **Other Related Initiatives:**
 - The **Production Linked Incentive Scheme** for man-made fibre segment (MMF) apparel, MMF fabrics and ten products of technical textiles for five years has been approved.
 - A **National Technical Textiles Mission** has already been launched to promote research and development in that sector.

Source: IE