

# National Investment and Manufacturing Zones (NIMZ): Notes for UPSC

The National Investment & Manufacturing Zones (NIMZs) are an important instrumentality of manufacturing policy. The NIMZ policy aims to galvanise the manufacturing sector by bringing in domestic and foreign investments. As an initiative by the government this topic will be featured for sure in the IAS Exam.

## What is the objective of NIMZ?

The NIMZs are envisaged as integrated industrial townships with state of the art infrastructure; land use on the basis of zoning; clean and energy efficient technology; necessary social infrastructure; skill development facilities etc. to provide a productive environment for persons transitioning from the primary to the secondary and tertiary sectors.

The policy is based on the principle of industrial growth in partnership with the States. The Central Government will create the enabling policy framework, provide incentives for infrastructure development on a Public Private Partnership (PPP) basis through appropriate financing instruments, and State Governments will be encouraged to adopt the instrumentalities provided in the policy.

The main objective of Special Economic Zones is promotion of exports, while NIMZs are based on the principle of industrial growth in partnership with States and focuses on manufacturing growth and employment generation. NIMZs are different from SEZs in terms of size, level of infrastructure planning, governance structures related to regulatory procedures, and exit policies.

## Relevant questions regarding National Investment and Manufacturing Zones (NIMZ)

### Why are industrial corridors the focus of the NIMZ policy?

Industrial Corridors recognise the inter-dependence of various sectors of the economy and offer effective integration between industry and infrastructure leading to overall economic and social development. Industrial corridors constitute world class infrastructure such as high-speed transportation. Hence, it is the objective of NIMZ to improve these industrial corridors to better complement India's overall export policy.

### How does NIMZ complement the Make in India initiative?

Make in India is a major new national programme by the Government of India designed to facilitate investment, foster innovation, enhance skill development, protect intellectual property and build best in class manufacturing infrastructure in the country. With designated industrial townships, NIMZ can better facilitate the manufacturing sector and foster a policy of qualitative control.

**How many NIMZ are there total in India?**

So far, three NIMZs namely Prakasam (Andhra Pradesh), Sangareddy (Telangana) and Kalinganagar (Odisha) have been accorded final approval and 13 NIMZs have been accorded in-principle approval.