



## STUDY OF NATIONAL MANUFACTURING POLICY, 2011

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### ABSTRACT

*National investment and Manufacturing Zones- Incentives under National Manufacturing Policy- Green Technology and Practices- Technology Development- Simplification of regulatory Environments- special benefits to Small Manufacturing Enterprises (SMEs):- Government Procurement- Industrial Training and Skill Upgradation Measures-*

**KEY WORDS:-** GDP Gross Domestic Product - National Investment and Manufacturing Zones (NIMZ) .

### STUDY OF NATIONAL MANUFACTURING POLICY, 2011:-

National Manufacturing Policy, 2011 is an imence factor in the development of India, i.e. why, in order to create a paradigm shift in the manufacturing sector, it is essential to consider the objectives over



a longer timeframe, such as 15 years. The National Manufacturing Policy, which was introduced in 2011.

### OBJECTIVES OF THE STUDY:-

**Objectives of the study are covered as follows:-**

1. Increase manufacturing sector growth to 12-14% over the medium term to make it an engine of growth for the economy. The 2 to 4% differential over the medium term development pace of the general economy will empower assembling to contribute in any event 25% of the National GDP by 2025.
2. Increase the pace of occupation creation in assembling to make 100 million extra employments by 2025. Accentuation ought to be given to production of suitable ranges of abilities among the rustic vagrant and urban poor to make development comprehensive.
3. Increase 'profundity' in assembling with spotlight on the degree of local worth expansion, to address the national vital prerequisites.
4. Enhance worldwide aggressiveness of Indian assembling through suitable approach support.
5. Ensure manageability of development, especially with respect to nature.

The Policy is based on a principle of industrial growth in partnership with the States. Central Government will create the enabling policy framework, provide incentives for infrastructure development on PPP basis though appropriate financing instruments, while State Government will identity the suitable land and be equity holders in the National Investment and Manufacturing Zones (NIMZs). The following are the key policy instruments for achieving the objectives.

1. Establishment of NIMZs- Greenfield Integrated Industrial Townships with state of the art infrastructure and land use on the basis of zoning; clean and energy efficient technology and requisite social infrastructure. NIMZ was proposed with land area of at least 5000 hectares.
2. Industrial Townships are proposed to the self governing and autonomous bodies under Article 243(Q-c) of the Constitution.
3. The trunk infrastructure will be financed appropriately by the Central Government through viability gap funding while SPV will develop the zone infrastructure in PPP mode.
4. NIMZ will be managed by Special Purpose Vehicle, headed by Govt. officials and experts, including those of environment.

### Aspects of National Manufacturing Policy:-

#### 1. Focus Sectors:-

- Employment concentrated ventures like materials and pieces of clothing, cowhide and footwear, pearls and gems and nourishment preparing businesses.
- Capital merchandise ventures like machine devices, overwhelming electrical gear, substantial vehicle, earthmoving and mining hardware.
- Industries with vital centrality like aviation, shipping, IT equipment and gadgets, media transmission gear, guard hardware and sun based vitality.
- Industries where India appreciates an upper hand, for example, vehicles, pharmaceuticals and restorative types of gear.

#### 2. National Investment and Manufacturing Zones (NIMZ):

- The National Investment and Manufacturing Zones are being considered as addition mechanical Greenfield townships to advance world-class fabricating exercises.
- The least size is 5000 hectares (50 square kilometers) wherein the handling region must be in any event 30%.
- The focal government will be in charge of bearing the expense of ace arranging, improving/giving outside physical framework linkages including rail, street, ports, air terminals and telecom, giving institutional foundation to efficiency, expertise advancement and the advancement of residential and worldwide ventures.
- The ID of land will be attempted by state governments. State governments will be in charge of water necessity, control availability, physical framework, utility linkages, natural effect studies and bearing the expense of resettlement and restoration bundles for the proprietors of gained land.
- The state government will likewise assume a job in its procurement, if essential.
- In government, buy inclinations will be given to units in the national venture and assembling zones.
- For monetary year 2016-2017, USD 0.515 million has been reserved under the plan for execution of National Manufacturing Policy for 'Ace arranging of NIMZs and Technology obtaining and improvement support.
- National Investment and Manufacturing Zones recognized under DMIC:

- \* Ahmedabad-Dholera Investment district, Gujrat
- \* Shendra-Bidkin Industrial Park City close Aurangabad, Maharashtra
- \* Manesar-Bawal speculation Region, Haryana
- \* Khushkhera-Bhiwadi-Neemrana Investment Region, Rajasthan

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- \* Pithampur-Dhar-Mhow Investment Region, Madhya Pradesh.
  - \* Dadri-Noida-Ghaziabad Investment Region, Uttar Pradesh
  - \* Dighi-Port Industrial Area, Maharashtra
  - \* Jodhpur-Pali-Marwar area, Rajasthan
- **14 NIMZ outside the DMIC area have additionally been given in head endorsement .**
  - \* Kuhi and Umred taluka of Nagpur area, Maharashtra
  - \* Tumkur, Karnataka
  - \* Chittoor, Andhra Pradesh
  - \* Medak, Telangana
  - \* Prakasam, Andhra Pradesh
  - \* Gulbarga, Karnataka
  - \* Kolar, Karnataka
  - \* Bidar, Karnataka
  - \* Kalinganagar, Jaipur District, Odisha
  - \* Hyderabad Pharma NIM, Rangareddy and Mehbubnagar area of Telangana
  - \* Ramanathapuram, Tamil Nadu
  - \* Ponneri, Tamil Nadu
  - \* Auraiya, Uttar Pradesh
  - \* Jhansi, Uttar Pradesh

### 3. Simplification of Regulatory Environments:-

- Timelines will be characterized for all clearances.
- Central and State governments to give exceptions from guidelines and guidelines identified with work, condition and so on subject to the satisfaction of certain condition.
- Mechanisms for the collaboration of open or private establishments with government review benefits under the general control of statutory specialists to be created.
- Process of dearness by focus and state specialists to be continuously web-empowered.
- A consolidated application structure and a typical register to be created. The accommodation of various returns for various offices will be supplanted by one disentangled month to month/quarterly return.
- A single window freedom for units in NIMZ.

### 4. Acquisition of Technology & Development:

- The arrangement expects to use the current motivating forces/plans of government and furthermore acquaint new systems with present green innovations.
  - A innovation obtaining and improvement reserve has been proposed for the procurement of suitable advances, the formation of a patent pool and the advancement of residential assembling of hardware utilized for controlling contamination and decreasing vitality utilization.
  - The store will likewise work as a self-governing patent pool and authorizing organization. It will buy protected innovation rights from patent holder. Any organization that needs to utilize protected innovation to deliver or create items can look for a permit from the pool against installment of eminences.
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## **Incentives under National Manufacturing Policy:-**

### **1. Transfer of Assets:**

- In case a unit is proclaimed debilitated, the exchange of advantages will be encouraged by the organization dealing with the issues of NIMZ.
- Relief from capital increases charge on the clearance of plant and apparatus of a unit situated in NIMZ will be conceded in the event of the re-venture of offer thought inside a time of 3 years for acquisition of new plant and hardware in some other unit situated in the equivalent or another NIMZ.

### **2. Green Technology & Practices:-**

- 5% enthusiasm for repayment and 10% capital sponsorship for the generation of hardware/machines/gadgets for controlling contamination, diminishing vitality utilization and water protection.
- A award of 25% to SMEs for consumption brought about on review subject to a limit of USD 1538.46.
- A 10% one-time capital sponsorship for units rehearsing zero water release.
- A refund on water cess for setting up wastewater reusing offices.
- Incentives for sustainable power source under the current plans.
- An Incentives of USD 3076.92 for all structures which acquire a green rating under the Indian Green Building Council (IGBC)/Leadership in Energy and Environmental Design (LEED) or Green Rating for Integrated Habitat Assessment (GRIHA) frameworks.

### **3. Technology Development:-**

- Incentives for the creation of gear/machines/gadgets for controlling contamination, lessening vitality utilization and water protection.
- SMEs will be offered access to the patent pool and/or part of repayment of innovation procurement expenses up to a limit of USD 30,769.23 to gain fitting advancements up to a limit of 5 years.

### **4. Special Benefits of SMEs:**

- Rollover help from long haul capital increases expense to people on special of private property in the event of re-venture of offer thought.
- A expense go through status for investment assets with an attention on SMEs in the assembling area.
- Liberalization of RBI standards for banks putting resources into investment assets with an attention on SMEs, in conference with RBI.
- The progression of IRDA rules to accommodate speculations by insurance agencies.
- The incorporation of loaning to SMEs in assembling as a major aspect of need area loaning.
- Easier access to bank fund through fitting bank loaning standards.
- The setting up of a stock trade for SMEs.
- Service element for the gathering and installment of statutory levy of SMEs.

### **5. Government Procurement:-**

- The approach will likewise consider utilization of open acquirement with stipulation of nearby esteem expansion in determined divisions. These incorporate zones of basic advances, for example, sun based vitality gear, electronic equipment, eco-friendly transport hardware; IT based security frameworks, power, streets and thruways, railroads, flight and ports.
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#### 6. Industrial Training & Skill Upgradation Measures:-

- Skill-assembling enormous quantities of an insignificantly taught workforce.
- Relevant professional and expertise preparing through establishment of Industrial Training Institute (ITI) in Public Private Partnerships (PPP) mode.
- Specialized expertise improvement through the foundation of polytechnics.
- Establishment of educators' instructional hub in each NIMZ.

#### 7. Exit Mechanism:-

- It conceives an other leave instrument through work misfortune strategy and a sinking reserve or a mix of both.

Thus, the incentives offered under new manufacturing policy are quite beneficial to the large scale manufacture and had made a positive contribution to the economic growth of our growth.

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