

**Government of Jammu & Kashmir
Industries & Commerce Department
Civil Secretariat, Srinagar/Jammu**

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Subject:- Jammu & Kashmir Private Industrial Estate Development Policy, 2021-30.
Reference: Administrative Council Decision No. 80/13/2021 dated 14.08.2021.

**Government Order No : 162 –IND of 2021
D a t e d : 23 . 08. 2021**

Sanction is accorded to the adoption of the Jammu and Kashmir Private Industrial Estate Development Policy, 2021-30, as per annexure appended to this order for its implementation.

By order of the Government of Jammu and Kashmir.

Sd/-

(Ranjan Prakash Thakur)

Principal Secretary to the Government

Dated: 23.08.2021

No. IC-IND/60/2021-02

Copy to the :-

1. All Financial Commissioners.
2. Director General of Police, J&K.
3. Principal Secretary to the Lieutenant Governor.
4. All Principal Secretaries to Government.
5. Principal Resident Commissioner, J&K Government, New Delhi.
6. Chief Electoral Officer, J&K.
7. All Commissioner/ Secretaries to the Government.
8. Joint Secretary (J&K), Ministry of Home Affairs, Government of India.
9. Divisional Commissioner, Jammu/Kashmir.
10. Director General, J&K Institute of Management, Public Administration and Rural Development, Jammu.
11. Chairman, J&K Special Tribunal.
12. All HoD's of Industries and Commerce Department.
13. All Deputy Commissioners.
14. Director, Information.
15. Director, Archives, Archaeology and Museums.
16. General Manager, Government Press, Jammu/Srinagar.
17. Private Secretary to the Hon'ble Lieutenant Governor.
18. Private Secretary to the Chief Secretary.
19. Private Secretaries to Advisor (F)/(B)/(BK) to Lieutenant Governor.
20. Private Secretary to Principal Secretary to the Government, Industries and Commerce Department.
21. In-charge website, I&C Department.
22. Notification file.


23.8.2021

(Sartaj Hussain Madni)

Deputy Secretary to the Government

**JAMMU AND KASHMIR
PRIVATE INDUSTRIAL ESTATE DEVELOPMENT
POLICY 2021-30**



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1. INTRODUCTION

- 1.1 Jammu and Kashmir which is primarily a services based and agri-oriented economy, with the hope inspired by the goals of Development Vision, has recently opened up for a major overhaul of the industrial infrastructure to boost the industrial expansion in different sectors of strength.
- 1.2 For a strong industrial base, a highly structured industrial land supported by an out and out Policy is pivotal in attainment of the mission of creating an industrially progressive niche with higher levels of competitiveness, productivity and proficiency.
- 1.3 Though Jammu and Kashmir announced its first Industrial Policy in 1995 and substituted it by another policy in 1998. The first detailed and comprehensive Industrial Policy was announced in the year 2004 which was followed by Industrial Policy of 2016. These policies provided the basic mechanism of Industrial Land Allotment along with development of Private Industrial Estates. However, the desired targets remained unaccomplished.
- 1.4 Hence, the UT Government has come up with an elaborate Industrial Land Allotment Policy to provide an effective framework and codified industrial land allotment system backed by a comprehensive industrial land bank developed by Industrial Development Corporations.
- 1.5 Likewise, as a sequel, an elaborate framework for development of Private Industrial Infrastructure requires to be detailed for attracting large industrial investments in the private sector.
- 1.6 This Policy document has therefore been formulated with belief that it will complement the efforts to make a leap in industrialization of the UT of Jammu and Kashmir.



2. OBJECTIVES

Jammu and Kashmir, by adopting this Policy aims to achieve the following objectives:

- 2.1 To provide an efficient and transparent mechanism for development of industrial infrastructure in private sector in a time bound manner.
- 2.2 To encourage, promote and facilitate more investment in enterprises and build a strong, responsive and vibrant business environment in the region.
- 2.3 To create employment opportunities for the unemployed youth.
- 2.4 To enable environment of "Ease of Doing Business" i.e. creating of conducive industrial environment.
- 2.5 To move more speedily towards transformation of its role from 'regulator' to 'facilitator' and from performer to enabler for the industrial sector.
- 2.6 To create new opportunities for creation of dedicated sector specific industrial parks.

3. DURATION

- 3.1 This policy shall remain in operation for ten years from the date of its adoption. However, the Policy shall be reviewed from time to time based on a critical assessment of feedback from stakeholders, and change in scope that is regarded necessary.
- 3.2 The Government may come up with a policy for development of private industrial estates on Public Private Partnership and revenue sharing model.



4. APPLICATION FOR SETTING UP OF A PRIVATE INDUSTRIAL PARK/ESTATE

The Applicant intending to setup a Private Industrial Estate/Park, must submit a Detailed Project Report (DPR) online along with the application. The Detailed Project Report shall comprise of:-

- 4.1 Promoter's background including qualification and experience;
- 4.2 Title documents of the land area applied for and tentative break-up of possible areas;
- 4.3 Plan Layout;
- 4.4 Implementation Schedule;
- 4.5 Total investment detail including investment in Technical and Non-Technical Civil work, Requirement of Working Capital;
- 4.6 Sources of Finance for the Project;
- 4.7 Projected Employment details;
- 4.8 Power requirement;
- 4.9 Water requirement;
- 4.10 Balance Sheets for the last three years of the Applicant Company / Promoters with necessary Resolutions, IT Returns and documents concerning financial /technical support, if applicable;
- 4.11 The land documents depending on types of organization viz. Proprietorship, Partnership, Trust, Private / Public Limited Company, etc. along with certified copy of the Partnership Deed, Memorandum and Article of Association and relevant documents, as applicable.
- 4.12 An undertaking that the estate shall strictly be use for industrial activity and in case of failure the estate shall be



subject to management and regulation by the Industrial Development Corporation.

5. PROJECT APPRAISAL AND EVALUATION

- 5.1 Private Promoters shall be allowed and encouraged to develop Private Industrial Estates/Parks on commercial lines on activity specific cluster basis over an area of at least 5 Acres. In case of IT/ITeS parks, the minimum requirement will be 2 Acres for housing IT units in flatted accommodation.
- 5.2 All the applications received shall be scrutinized (on technical and financial criteria) by the Divisional Level Evaluation Committee. The timeline for screening shall be 07 days.
- 5.3 The composition of each Divisional Level Evaluation Committee shall be as under:

S. No	Designation	Role
1	Director, Industries and Commerce, of the concerned Division	Chairman
2	Joint Director (Dev) Directorate of Industries & Commerce concerned	Member Secretary
3	General Manager of DIC concerned	Member
4	Executive Engineer, EM&RE Wing Power Development Department	Member
5	General Manager, SIDCO	Member
6	General Manager, SICOP	Member
7	Representative of Pollution Control Board	Member
8	Representative of J&K Bank	Member
Any other person can be co-opted by the Committee having subject matter specialization		

- 5.4 For evaluating an application, the Divisional Level Evaluation Committee shall take into consideration the following parameters:



S.No	Parameters
1	Level of Proposed Investment
2	Extent of employment generation
3	Qualification of the applicant(s)
4	Experience of the applicant(s)
5	Land Utilization
6	Women Entrepreneur/ Ex-Servicemen/ Scheduled Caste
7	Resource Position
8	Income tax payments by applicant(s) (if applicable)
9	Past performance of existing operations of the applicant/ group concerns
10	Start-up/ micro industries/ new technologies/ projects with innovative ideas
11	Environment friendly, energy efficient, high tech, high value added enterprises

5.5 After preliminary scrutiny by the Divisional Level Evaluation Committee the applications shall be submitted to the Divisional Commissioner concerned for furnishing following documents:

5.5.1 Title verification and Change of Land Use requirement;

5.5.2 Approval as per Master Plan/ Housing Department norms

5.6 The timeline for issuance of above documents shall be 15 days from the date of receipt of application from the Divisional Level Evaluation Committee.

5.7 Divisional Level Evaluation Committee within 7 days after receiving the above documents shall submit the case to Project Clearance Committee for detailed review and recommendations. The Project Clearance Committee shall decide the case within 30 days.

6. PROJECT CLEARANCE COMMITTEES

6.1 There Project Clearance Committee shall be with the following composition:

S. No	Designation	Role
1	Administrative Secretary, Industries and Commerce Department	Chairman
2	Representative from Revenue Department not below rank of Additional Secretary	Member
3	Representative from Power Development Department not below rank of Additional Secretary	Member
4	Representative from Department of Forest, Ecology and Environment not below rank of Additional Secretary	Member
5	Representative from Housing and Urban Development Department not below rank of Additional Secretary	Member
6	Member Secretary, Pollution Control Board	Member
7	Director, Industries & Commerce Concerned	Member Secretary
8	MD SIDCO	Member
9	MD SICOP	Member
10	Representative of the Industry nominated	Member

6.2 Following conditions shall be considered while an application is being examined by the Project Clearance Committee:

6.2.1 The line of activities in the proposed Park/Estate should be falling in the category of permissible activities; should not involve high pollution and high water consumption.

6.2.2 Applicant(s) already having a similar project, its status physical as well as financial.

6.2.3 Any pre-requisite Clearance required for establishment in addition to clearance sought by the Divisional Level Evaluation Committee.

6.2.4 Apart from points mentioned above, committee must also consider the justification of the land applied for.

- 6.3 The Committee shall make specific recommendations while clearing a case or otherwise. The Committee shall decide the case within 45 days.
- 6.4 Once cleared by the Project Clearance Committee, Industries and Commerce Department shall place the case before the Competent Authority for seeking approval.

7. ISSUANCE OF PROVISIONAL CERTIFICATE

- 7.1 Once approved, the Director Industries and Commerce, concerned shall immediately issue Private Industrial Estate Provisional Certificate to the applicant.
- 7.2 The promoter would be responsible for the operation and maintenance of the facilities created within the estate following the bench-mark standards laid down by the Government.

8. INCENTIVES AND SUPPORT

- 8.1 Government shall provide road connectivity, water connection and electricity upto the proposed Estate/Park.
- 8.2 Subject to the conditions laid down in Appendix-I (Finance Department U.O. No FD-Code /145 /2021- 334 dated 13.08.2021), Industrial Parks set up on private land shall be entitled to Capital Infrastructure Subsidy of the cost incurred for the development of common industrial infrastructure & utilities such as common effluent treatment plant, working men and women hostels, testing centres, diagnostics labs and R&D centres for health care, tool rooms, recreational facilities or any other common industrial / social infrastructure development activity duly approved by the government. The rate for the Capital Infrastructure Subsidy shall be:
- i. For investment upto Rs 25 Crore:



20% & 30% subject to maximum of Rs. 5.00 Crore & Rs. 7.50 Crore for areas in Zone A & B respectively.

ii. For investment above Rs 25 Crore:

a) 20% of the cost incurred with minimum subsidy of Rs 5.00 Crore and maximum subsidy of Rs. 20.00 Crore. This shall be determined on the principle of additional subsidy of Rs 1.00 Crore for addition of each acre of land over the minimum 5 acre in Zone A;

b) 30% of the cost incurred with minimum subsidy of Rs 7.50 Crore and maximum subsidy of Rs. 30.00 Crore. This shall be determined on the principle of additional subsidy of Rs 1.50 Crore for addition of each acre of land over the minimum 5 in Zone B;

iii. For IT sector, the applicable rate shall, however, be uniformly @ 20% & 30% subject to maximum of Rs. 20.00 Crore & Rs. 30.00 Crore for areas in Zone A & B respectively.

The subsidy shall be disbursed after the date of operation of such Industrial Estates/Parks.

8.3 General Manager District Industries Centre, concerned shall make a monthly periodic visit to check the progress made in development of the Estate and submit a progress report to Director Industries and Commerce.

9. FAILURE TO RUN THE ESTATE

9.1 If after the issuance of Provisional Certificate and necessary government infrastructure has been provided, the promoter fails to develop the industrial estate within two years of issuance of the provisional certificate, or deviates from the allowed activities to be carried in an industrial estate, the land shall be subject to further development by the Industrial Development Corporation (SIDCO) who shall maintain and regulate it like other industrial estates of the Corporation.



9.2 In such case, a revenue sharing agreement may be executed between the owner and the Industrial Development Corporation.

10. DEFINITIONS UNDER THE POLICY

Unless otherwise provided under various schemes of DPIIT, Ministry of Commerce and Industries, Government of India, J&K Industrial Policy and J&K Industrial Land Allotment Policy—

- 10.1 "Applicant"** means an individual or person including a group of individuals under Indian Partnership Act 1932 or a company registered under the Companies Act, 2013 or Limited Liability Partnership Act 2008, or Cooperative Institution, or Hindu Undivided Family (HUF) under section 2(31) of the Income Tax Act, 1961, or a body incorporated under any Act, who has made an application following the prescribed procedure of Jammu and Kashmir Government for establishing an Industrial Enterprises/ Unit;
- 10.2 "Date of Operation"** means the date on which the infrastructure is ready to be used with all the required facilities in place, as certified by the Director, Industries and Commerce concerned;
- 10.3 "Zone A & B"** means the area so defined under Para 6 of the Jammu and Kashmir Industrial Land Allotment Policy-2021-20.

APPENDIX-I

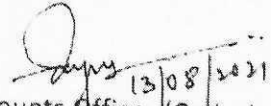
Returned:-Finance Department conveys its concurrence to the Draft J&K Private Estates Industrial Development Policy 2021-30, subject to the following conditions:-

1. Amount needed in any year shall be properly budgeted for.
2. Amount shall not be more than Rs. 100.00 Crore per year preferably within Rs. 50.00 Crore.
3. Relevant provisions of the GFR shall be adhered in letter and spirit.

Besides above, the following further conditions shall also be taken into account by the Industries and Commerce Department:-

- i) The industrial units shall focus upon clean and energy efficient industrial units.
- ii) The Industrial estates shall have modern and sufficient parking facilities.
- iii) Small Scale Industries shall also be given importance towards growth and modernization.
- iv) An Exhibition cum Convention Centre can also be developed in collaboration with Industrial Associations having multifarious support facilities.
- v) The case processing system should be revamped so that the industrial policy is implemented seamlessly by providing required support to the industrial estates and ease of doing business implemented in spirit.
- vi) The incentives should be at par with the incentives provided to the entrepreneur who develops industry in the Government Industrial Estates apart from other incentives envisaged in the Policy.
- vii) Policy should also include proper land use pattern. The Industrial clusters shall be developed away from the residential areas.

The Department shall place the matter before Administrative Council for approval.


13/08/2021
Accounts Officer (Codes),
Finance Department.

Principal Secretary to the Government,
Industries & Commerce Department.
U.O. No. FD-Code/145/2021-334
Dated -13-08-2021.

