



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

Subject: Amendments to Jammu and Kashmir Private Industrial Estate Development Policy, 2021-30.

Reference: Administrative Council Decision No. 10/01/2024 dated 18.01.2024.

**Government Order No. 22-JK(IND) of 2024
Dated: 01.02.2024**

Sanction is hereby accorded to the adoption of amended version of Jammu and Kashmir Private Industrial Estate Development Policy, 2021-30, as per annexure appended to this order, with immediate effect.

Previous orders, if any issued, which are inconsistent with this policy shall stand superseded by this order to the effect of inconsistency.

By order of the Government of Jammu & Kashmir.

**Sd/-
(Vikramjit Singh) IPS
Commissioner/ Secretary to the Government
Industries & Commerce Department**

No: IC-DIC/180/2023-02

Dated: 01.02.2024

Copy to the:

1. All Financial Commissioners (Additional Chief Secretaries).
2. Director General of Police, J&K.
3. Director General, J&K Institute of Management, Public Administration and Rural Development.
4. All Principal Secretaries to the Government.
5. Principal Secretary to the Lieutenant Governor, J&K.

87.
1.2.2024

6. Principal Resident Commissioner, J&K Government, New Delhi.
7. All Commissioner/Secretaries to the Government.
8. Chief Electoral Officer, J&K.
9. Joint Secretary (J&K), Ministry of Home Affairs, Government of India.
10. Divisional Commissioner, Kashmir/Jammu.
11. All Deputy Commissioners.
12. All HoDs of Industries and Commerce Department.
13. Director, Information, J&K.
14. Chairperson, Special Tribunal, J&K.
15. All Heads of Departments/Managing Directors of PSUs/Corporations.
16. Director, Archives, Archaeology and Museums, J&K.
17. General Manager, Government Press, Jammu/Srinagar.
18. Private Secretary to Hon'ble Lieutenant Governor.
19. Private Secretary to the Chief Secretary, J&K.
20. Private Secretary to Advisor (B) to Hon'ble Lieutenant Governor.
21. Private Secretary to Commissioner/ Secretary to the Government, Industries and Commerce Department.
22. Website In-charge I&C Department.
23. Government Order/ Notification file.



(Nadeem Iqbal) JKAS

01.02.2024

Deputy Secretary to the Government





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

**Jammu and Kashmir
Private Industrial Estate Development
Policy, 2021-30
(Amended version)**

Contents		Page No.
1.	Introduction	03
2.	Objectives	03
3.	Duration	04
4.	Application for setting up of Private Industrial Park/ Estate	04
5.	Project Appraisal and Evaluation	05
6.	Project Clearance Committee	08
7.	Issuance of Registration Certificate	09
8.	Government Support	09
9.	Incentives: Incentives for Private Developer and incoming Industrial Units in the Private Industrial Estate/ Park	10
10.	Project Completion	11
11.	Change in Constitution for Developer	12
12.	Operation and Maintenance (O&M)	12
13.	Permitted Activities	13
14.	Transfer of Government Land to Developer within Premises of a Private Industrial Estate	13
15.	Public-Private Partnership through Private Industrial Estate Development Model	13
16.	Public Private Partnership through Self-Development Model of Industrial Estate	14
17.	Failure to establish/run the estate	15
18.	Definitions under the Policy	15
	Appendix-I	17

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 and 2021. 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 Corporation.
- 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 the belief that it will complement the efforts to make a leap in industrialization of the UT of Jammu and Kashmir.

2 Objectives

The UT of 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 through private sector investment 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" by supportive provisions in Infrastructure Development and creating a conducive regulatory environment for Developers.
- 2.5 To move more speedily towards the transformation of its role from 'regulator' to 'facilitator' and from 'performer' to 'enabler' for the industrial sector.
- 2.6 To create new opportunities for the creation of dedicated sector-specific industrial parks.
- 2.7 To provide an efficient and transparent mechanism for the development of industrial infrastructure through Public Private Partnership and Private sector investment on Government land.

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.

4 Application for setting up of 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 on which the private industrial park/estate is proposed to be set-up, with tentative break-up of possible areas.
- 4.3 Plan Layout;
- 4.4 Implementation Schedule;
- 4.5 Total investment for Development 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 a 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 over an area of at least 05 Acres in both zone A and zone B. In case of IT/ITeS parks, the minimum requirement will be 02 Acres for housing IT units in flatted accommodation.
- 5.2 A consortium of Developers will be eligible for the purpose of this policy.

9/12/24

- 5.3 The DPR submitted for evaluation to the Divisional Level Appraisal Committee shall be approved by the committee before grant of registration certificate. The DPR shall detail out all the facilities provided within the estate.
- 5.4 All the applications received shall be appraised (on technical and financial criteria) by a Divisional Level Appraisal Committee. The timeline for screening shall be 30 days.
- 5.5 The composition of Divisional Level Appraisal Committee shall be as under:

S.No.	Designation	Role
1.	Director, Industries and Commerce, of the concerned Division	Chairperson
2	Joint Director (Dev) Directorate of Industries & Commerce concerned	Member Secretary
3	General Manager of DIC concerned	Member
4	Assistant Commissioner Revenue of concerned district	Member
5	Executive Engineer, EM&RE Wing, Power Development Department	Member
6	Executive Engineer, Jal Shakti Department	Member
7	Executive Engineer, PW(R&B) Department	Member
8	General Manager, J&K Industrial Development Corporation (IDC)	Member
9	Representative of J&K Pollution Control Committee	Member
10	Representative of J&K Bank Ltd.	Member
Any other person may be co-opted by the committee having subject matter specialization		

- 5.6 For appraising an application, the Divisional Level Appraisal Committee shall take into consideration the following parameters:

S.No.	Parameter
1	Level of Proposed Investment
2	Extent of employment generation
3	Qualification of the applicant(s)

6/12/24

4	Experience of the applicant(s)
5	Land Utilization
6	Women Entrepreneur/ Ex-Servicemen/ Schedule Caste
7	Resource Position
8	Income tax payments by applicant(s) (if applicable)
9	Past performance of similar 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
12	Title of the land (Certification of CLU for the said Land)
13	Location assessment along with justification for selection as Private Industrial estate
14	Technical and Financial Viability of the site
15	Availability of Power (distance from nearest Power Grid)
16	Implementation plan along with schedule

5.7 The appropriate committee as and when required or on case-to-case basis can consider additional parameters for sector specific parks.

5.8 Applicable Floor Area Ratio (FAR) as per the ratio notified by the Government of J&K for Government Industrial Estates will be applicable to Private Industrial Estates, unless a separate FAR is notified for Private Industrial Estates by the Government.

5.9 After preliminary appraisal by the Divisional Level Appraisal Committee, the applications shall be submitted to the Divisional Commissioner concerned for furnishing following documents:

5.9.1 Title verification and Change of Land Use requirement.

5.9.2 Approval as per Master Plan/ Housing Department norms.

5.10 The timeline for issuance of the above documents by the Divisional Commissioner shall be 30 days from the date of receipt of the application from the Divisional Level Appraisal Committee.

5.11 The Divisional Level Appraisal 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.

8/12/24

6 Project Clearance Committee

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

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, J&K Pollution Control Committee	Member
7	Director, Industries & Commerce Concerned	Member Secretary
8	Managing Director, SIDCO	Member
9	Managing Director, SICOP	Member
10	Representative of the Industry nominated	Member
Any other person may be co-opted by the committee having subject matter specialization.		

6.2 The following aspects 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 and 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, if any, by the Divisional Level Appraisal Committee.

6.2.4 Apart from the points mentioned above, the committee would 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 on a case submitted to it within 45 days.

7 Issuance of Registration Certificate

- 7.1 Once approved by the Project Clearance Committee, the Director Industries and Commerce concerned shall immediately issue Private Industrial Estate Registration Certificate to the applicant.
- 7.2 The promoter would be responsible for the Operation and Maintenance (O&M) of the facilities created within the estate following the benchmark standards in the context thereto laid down by the Government.

8 Government Support

- 8.1 Subject to the conditions laid down in Appendix-I (Finance Department U.O. No FD-Code /145 /2021- 334 dated 13.08.2021), the Government shall provide road connectivity, water connection and electricity up to the boundary of the proposed Estate/Park.
- 8.2 The Department shall perform a cost-benefit analysis to determine whether a proposed private industrial estate project is technically and financially viable for the UT of J&K. The Department shall lay down specific framework for the cost-benefit analysis in the guidelines of the policy.
- 8.3 Before rejecting any proposal by any committee proper consultation shall be done with the Developer and reasons for rejection to be recorded in writing.
- 8.4 Private industrial estate Developer, if he desires so, may commit to meeting the cost of providing the road, water and electricity connectivity so as to improve the cost benefit analysis of the proposed Industrial Estate.

87.1.2.24

9 Incentives: Incentives for Private Developer and incoming Industrial Units in the Private Industrial Estate/ Park.

9.1 Stamp Duty

- a. The Developer of the Industrial Park shall be eligible for reimbursement @100% of the stamp duty paid on the purchase of land as per land requirement as approved by the Divisional Level Appraisal Committee.
- b. Individual units setting up their facilities in the private industrial park shall be eligible for reimbursement @100% of the stamp duty paid by them on the purchase/lease of a plot in the industrial park.

9.2 CLU Charges

Private Developer shall be entitled to claim 100% reimbursement of the payment made by them for the change in land use within the premises of Industrial Estate.

9.3 Registration Charges

Reimbursement of 100% Registration Charges on sale deeds for both Developer and unit holders within private Industrial estate shall be admissible.

- 9.4 The industrial units set up in private industrial parks shall be entitled to benefits and incentives available under J&K Industrial Policy and New Central Sector Scheme at par with those available for units that are set up in the Government industrial estates.

- 9.5 All incentives shall be on reimbursement basis.

By 87.1.2.24

- 9.6 The Developer shall be eligible to claim 50% incentives after the Developer is able to establish that at least 50% of the land, excluding common facilities, has been allotted to the individual unit holders (not including land allocated to unit holders in which the Developer has majority share-holding). Balance incentives shall be released once the entire land parcel (excluding common areas) is allotted to unit holders.
- 9.7 The Private Industrial Parks should have a minimum of 5 units (Separate Legal Entities) with no single industrial unit occupying more than 50% of the total allottable area for industrial use as specified in the DPR.
- 9.8 The Layout Plan of a Private Industrial Park and the building plan of the individual units within the park shall be approved by Industrial Development Corporation, as per the guidelines of building bye-laws followed in Government Industrial Estates.
- 9.9 The Industries & Commerce Department shall issue detailed procedural guidelines for the release / reimbursement of the incentives and no benefit shall be granted under this policy on retrospective basis.

10 Project Completion

- 10.1 The maximum time for completion of Private Industrial estate as approved by the Divisional Level Appraisal Committee shall be as per the implementation schedule mentioned in the DPR or 3 years (whichever is earlier) from the date of issue of Registration Certificate.
- 10.2 After verification, the IDC shall issue a Project Completion Certificate based on the completion of works as prescribed in the DPR. At least 85% of the projections made in the DPR shall have to be completed before issuance of the certificate.
- 10.3 In case, the Developer fails to complete Industrial estate within the prescribed period, the Developer may seek a time extension from IDC. The maximum period allowed for such an extension of the Project Completion date will be 02 years from the prescribed period/ scheduled completion date, as per the DPR, subject to the maximum of 05 years from the date of issue of Registration Certificate. Except for a *force majeure* situation, no further request for extension shall be permissible.

67.1.2.24

- 10.4 The J&K Industrial Development Corporation (J&K IDC) may appoint a third-party agency for audit of the infrastructure facilities created by the private Developer as and when required.

11 Change in Constitution for Developer

- 11.1 Change of constitution shall be allowed after the completion certificate has been granted to the Developer/ IE-SPV.

12 Operation and Maintenance (O&M)

- 12.1 The Developer will form an Industrial Estate-Special Purpose Vehicle (IE-SPV) to manage the operation and maintenance (O&M) of the Industrial Estate after its establishment.
- 12.2 The IE-SPV will have the individual Unit Holders and the Developer as shareholders in proportion of their land allotted / leased by them. The share of the Developer will be proportional to the land under common facilities in the Industrial Estate.
- 12.3 Further, the Industrial Development Corporation (IDC) will also have representation in the IE-SPV.
- 12.4 The IE-SPV shall be setup by the Developer before claiming any reimbursement / release of incentives under this policy. Further the Developer will place funds with the SPV equivalent to the cost of the DPR of the IE prior to claiming the incentives.
- 12.5 The SPV shall be responsible for providing O&M and monitoring services for maintenance of Private Industrial Park in accordance with the bye laws set out by IDC, building byelaws, the provisions of the O&M Agreement, the applicable laws, the applicable permits, the IDC Performance Standards and Good Industry Practices.
- 12.6 IE-SPV shall have the authority to levy and collect fees/charges/penalties to meet the O&M expenditure of the Private Industrial Estate as per the norms defined by IDC.
- 12.7 The Industries and Commerce department shall issue detailed guidelines and bye laws governing the IE-SPV.

13 Permitted Activities

- 13.1 Private Industrial Estate will be used for industrial activity only and in case the new entity fails to use the land for industrial purposes, and instead opts for a change in the line of activity to commercial/ residential or any other category, all the incentives claimed shall be reimbursed back to the Government @RBI repo rate (on the day the benefit was claimed) plus 4%.

14 Transfer of Government Land to Developer within Premises of a Private Industrial Estate

- 14.1 In case of any Government Land falling within the permissible limits of a Private Industrial Estate, duly registered by the Authority, in order to give uniform spread to the private industrial estate, Government may transfer such land to the Private Developer by signing of a lease agreement between Industrial Development Corporation and Developer. However, such land will be limited to 10% of the registered private industrial estate land proposed in the DPR. The allotment of the said land shall be subject to the terms and conditions as mentioned in the Jammu and Kashmir Industrial Land Allotment Policy, 2021-30.
- 14.2 The Private Developer shall be liable for all the charges (inclusive of Lease Premium) as per the provision of the J&K Industrial Land Allotment Policy, 2021 applicable to units in Government Industrial Estates.

15 Public-Private Partnership through Private Industrial Estate Development Model

- 15.1 The Government of J&K may decide to develop any parcel of Government land, notified for Industrial activities by the concerned authority, for development under Public Private Partnership mode.
- 15.2 The selection of a Developer for such a park/estate shall be done by a transparent bidding process for a predefined concession period and as per the technical feasibility and financial viability study.

27
87.12.24

16 Public Private Partnership through Self-Development Model of Industrial Estate

- 16.1 The Government, at the request of over 75% of the land allottees in an Industrial Estate, may agree to develop the land through Self Development Model, whereby the unit holders contribute funds for the development of the common infrastructure, execute the same and also provide the funds for the O&M services after establishment of the Industrial Estate.
- 16.2 In the Self Development Model, the Government only allots land to the individual industrial unit holders and commits to provide road connectivity, water connection, electricity up to the boundary of the proposed Industrial Estate.
- 16.3 The members to whom land has been allotted for industrial development shall form a Special Purpose Vehicle (SPV). The SPV shall be responsible for managing and executing the development activities of the industrial estate. The SPV shall be governed and controlled by J&K IDC.
- 16.4 The development of industrial estates through Self Development Model shall require the formulation of a Detailed Project Report (DPR). The DPR shall be prepared by the SPV and submitted to IDC for approval.
- 16.5 The Industrial Development Corporation (IDC) shall have a supervisory role over the SPV. J&K IDC will provide technical support, guidance, and ensure compliance with the development guidelines.
- 16.6 The IDC shall also issue detailed guidelines and bye-laws governing the SD-SPV.
- 16.7 The members of the SPV except IDC J&K shall be responsible for funding the asset creation and Operations & Maintenance (O&M) activities of the industrial estate. Contributions from the members shall be in proportion to their allotted land.
- 16.8 The Government may under exceptional circumstances provide grants to support infrastructure development and O & M services of the Industrial Estate.

17 Failure to establish/run the estate

17.1 The registering authority may, for reasons to be recorded in writing, cancel the registration granted to the Developer / IE-SPV and handover the management of its private industrial estate to the Industrial development Corporation for a period not exceeding 1 year from the date of taking over under the following circumstances of the failure to establish or maintain the estate:

- i. Developer / IE-SPV is unable to complete the project within stipulated time in terms of clause 10.
- ii. Developer / IE-SPV fails to comply with the stipulations under clause 11.
- iii. Developer / IE-SPV fails to comply with other norms, as notified by the Government or the Industrial Development Corporations from time to time.
- iv. Where it is deemed necessary to protect the interest of allottees.

17.2 Rights shall be reserved with J&K IDC to physically examine and monitor whether Private Industrial Estate is working as per the norms laid down for the purpose and the land is being fully utilized for the purpose for which it is permitted and established.

18 Definitions under the Policy

Unless otherwise provided under various schemes of DPIIT, Government of India, as applicable to the UT of J&K, J&K Industrial Policy, and J&K Industrial Land Allotment Policy.

18.1 **"Developer/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 a 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.

87.
1.2.24

- 7 2x
- 18.2 **"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 Industrial Development Corporation.
- 18.3 **"Zone A & B"** means the area so defined under Para 6 of the Jammu and Kashmir Industrial Land Allotment Policy, 2021-30.
- 18.4 **"Completion certificate"** means certificate issued by IDC which confirms completion of at least 85% of the works in a registered Private Industrial Estate, as proposed in the DPR by the Developer.
- 18.5 **"Private Industrial Estate/Park"** means an Industrial estate/park which is developed in at least a minimum area of 5 Acres for mixed-use, and 3 Acres for theme based/sector-specific parks in the Union Territory of Jammu and Kashmir.

67.
1.2.24

Reference No.: U.O. IND/DIC-07/2021 dated 15.03.2021

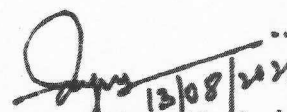
Returned:-Finance Department conveys its concurrence to the Draft J&K Private Estates Industrial Development Policy 2021-30, subject to the following conditions:-

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. ✓